



AGENDA
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
BOARD OF LIBRARY TRUSTEES

January 3, 2017

REGULAR MEETING – 6:00 PM

City Council Study Sessions

Second Tuesday of each month – 6:00 p.m.

City Council Meetings

Special Presentations – 5:30 P.M.

First & Third Tuesday of each month – 6:00 p.m.

City Council Closed Session

Will be scheduled as needed at 4:30 p.m.

City Hall Council Chamber – 14177 Frederick Street

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Guy Pegan, ADA Coordinator, at 951.413.3120 at least 72 hours before the meeting. The 72-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Victoria Baca, Mayor Pro Tem
David Marquez, Council Member

Dr. Yxstian A. Gutierrez, Mayor

Jeffrey J. Giba, Council Member
Vacant

AGENDA
CITY COUNCIL OF THE CITY OF MORENO VALLEY
January 3, 2017

CALL TO ORDER - 5:30 PM

SPECIAL PRESENTATIONS

1. Officer of the Quarter - 3rd Quarter - Joshua Hephner

2. Rainbow Ridge Elementary School - Mayoral Proclamation

3. Most Inspirational Mom Awardee - Carmen Ochoa - Certificate of Recognition

4. Business Spotlight a) Farmers Insurance (District 2) b) Realis Gymnastics Academy (District 2)

**AGENDA
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
AND THE BOARD OF LIBRARY TRUSTEES**

***THE CITY COUNCIL RECEIVES A SEPARATE STIPEND FOR CSD
MEETINGS***

**REGULAR MEETING – 6:00 PM
JANUARY 3, 2017**

CALL TO ORDER

Joint Meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority and the Board of Library Trustees - actions taken at the Joint Meeting are those of the Agency indicated on each Agenda item.

PLEDGE OF ALLEGIANCE

INVOCATION

Pastor Dr. A. Dale Lacquement, Faith Baptist Church

ROLL CALL

INTRODUCTIONS

**PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE
JURISDICTION OF THE CITY COUNCIL**

Those wishing to speak should complete and submit a BLUE speaker slip to the Sergeant-at-Arms. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council.

PUBLIC COMMENTS ON MATTERS ON THE AGENDA

Public comments on matters on the agenda will be heard at this time. Those wishing to speak regarding any such item on the agenda, excluding public hearing items, should complete and submit a BLUE speaker slip to the Sergeant-at-Arms. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council.

JOINT CONSENT CALENDARS (SECTIONS A-D)

All items listed under the Consent Calendars, Sections A, B, C, and D are considered to be routine and non-controversial, and may be enacted by one motion unless a member

of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority or the Board of Library Trustees requests that an item be removed for separate action. The motion to adopt the Consent Calendars is deemed to be a separate motion by each Agency and shall be so recorded by the City Clerk. Items withdrawn for report or discussion will be heard after public hearing items.

A. CONSENT CALENDAR-CITY COUNCIL

- A.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

- A.2. SUPPLEMENTAL LAW ENFORCEMENT SERVICES ACCOUNT (SLESA) EXPENDITURE PLAN FOR FY 2016-17 (Report of: Financial & Management Services)

Recommendations:

- 1. Approve the attached Supplemental Law Enforcement Services Account (SLESA) Expenditure Plan for FY 2016-17.
- 2. Approve an increase of \$83,280 to the SLESA Grant Fund (Fund 2410) FY 2016-17 revenue budget to reflect the total FY 2016-17 allocation of \$408,280.
- 3. Approve an increase of \$83,280 to the SLESA Grant Fund FY 2016-17 expenditure budget (Fund 2410) to reflect the FY 2016-17 planned expenditure of \$408,280.

- A.3. RESOLUTION PROVIDING CONCEPTUAL SUPPORT FOR THE RIVERSIDE COUNTY BROADBAND MASTER PLAN (Report of: City Manager)

Recommendation: That the City Council:

- 1. Adopt Resolution No. 2017-01. A Resolution of the City Council of the City of Moreno Valley, California, to provide conceptual support for the Riverside County Broadband Master Plan and the development of a Request for Participation (RFP) for the deployment of broadband fiber services to all homes, businesses and institutions countywide.

- A.4. AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS AND VOLOGY FOR CAMERAS, RADIOS, VIDEO STORAGE AND PROFESSIONAL SERVICES (Report of: City Manager)

Recommendations:

1. Award a contract to Hitachi Data Systems, 2845 Lafayette Street, Santa Clara, CA, for cameras, radios, video storage, and professional services in an amount not to exceed \$230,228.
2. Award a contract to Vology Inc., 300 Spectrum Center Drive, Irvine, CA, for cameras in an amount not to exceed \$32,936.
3. Authorize the budget adjustments listed in the Fiscal Impact section to transfer funding for this project from various departments to Technology Services accounts.
4. Authorize the City Manager to execute any subsequent related change orders to the contracts with Hitachi Data Systems, Vology, or other required vendor up to, but not exceeding, the 3.8% contingency amount of \$10,000, subject to approval by the City Attorney.

A.5. AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO HOT LINE CONSTRUCTION, INC. FOR THE KITCHING SUBSTATION CIRCUITS #2 THROUGH #8 IMPROVEMENTS IN THE SOUTH INDUSTRIAL AREA, PROJECT NOS. 805 0031, 805 0032, 805 0034, 805 0036, 805 0040, 805 0041, 805 0042 (Report of: Financial & Management Services)

Recommendations:

1. Award the construction contract to Hot Line Construction, Inc., 9020 Brentwood Boulevard, Brentwood, CA 94513, the lowest responsible bidder, for the Kitching Substation Circuit #2 through #8 Project.
2. Authorize the City Manager to execute a contract with Hot Line Construction, Inc.
3. Authorize the issuance of a Purchase Order to Hot Line Construction, Inc., for the amount of \$2,703,458 (\$2,457,689 bid amount plus 10% contingency) when the contract has been signed by all parties.
4. Authorize the Chief Financial Officer/City Treasurer to execute any subsequent related minor change orders to the contract with Hot Line Construction, Inc. up to, but not exceeding, the 10% contingency amount of \$245,769, subject to the approval of the City Attorney.

A.6. AUTHORIZE THE AWARD OF THE DESIGN-BUILD CONTRACT TO OPTERRA ENERGY SERVICES, INC. FOR THE CITY HALL SOLAR CARPORT AND BATTERY ENERGY STORAGE UNIT PROJECT NO. 805 0039 (Report of: Financial & Management Services)

Recommendations:

1. Award the design-build contract to Opterra Energy Services, Inc., 1420 Iowa Avenue, Suite 210, Riverside, CA 92507 for the City Hall Solar Carport and Battery Energy Storage.
 2. Authorize the City Manager to execute a contract with Opterra Energy Services, Inc.
 3. Authorize the issuance of a Purchase Order to Opterra Energy Services, Inc. in the amount of \$2,817,506 (\$2,561,369 bid amount plus \$256,137 contingency) when the contract has been signed by all parties.
 4. Authorize the Chief Financial Officer/City Treasurer to execute any subsequent related minor change orders to the contract with Opterra Energy Services, Inc., up to, but not exceeding, the 10% contingency amount of \$256,137, subject to the approval of the City Attorney.
- A.7. APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, TO AMEND THE ELECTRIC SERVICE RULES, FEES AND CHARGES FOR MORENO VALLEY UTILITY (MVU) (Report of: Financial & Management Services)

Recommendation:

1. Approve Resolution No. 2017-02. A Resolution of the City Council of the City of Moreno Valley, California, to Amend the Electric Service Rules, Fees and Charges for Moreno Valley Utility (MVU).
- A.8. PA13-0067 – 2,594 SQUARE-FOOT CUSTOM HOME AND 483 SQUARE-FOOT GARAGE. ADOPTION OF THE PROPOSED RESOLUTION FOR THE SUMMARY VACATION OF A PORTION OF LOCUST AVENUE LOCATED WEST OF QUINCY STREET. OWNER: ED HADDAD (Report of: Public Works)

Recommendations:

1. Adopt Resolution No. 2017-03. A Resolution of the City Council of the City of Moreno Valley, California, Ordering the Summary Vacation of a Portion of Locust Avenue located West of Quincy Street.
 2. Direct the City Clerk to certify said resolution and transmit a copy of the resolution to the County Recorder's office for recording.
- A.9. PA13-0063 – MODULAR LOGISTICS CENTER - ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS AT THE NORTHEAST CORNER OF PERRIS BOULEVARD AND MODULAR WAY DEVELOPER: 17350 PERRIS BOULEVARD LLC (Report of: Public Works)

Recommendations:

1. Accept the Agreement and Security for Public Improvements for 17350 Perris Boulevard LLC.
2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

- A.10. PA07-0129 (TRACT 35606) – ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS ON METRIC DRIVE BETWEEN HUBBARD STREET AND PERRIS BOULEVARD DEVELOPER: METRIC HOMES, LLC (Report of: Public Works)

Recommendations:

1. Accept the Agreement and Security for Public Improvements for Metric Homes, LLC.
2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

- A.11. 2017 CITY COUNCIL COMMITTEE PARTICIPATION APPOINTMENTS (Report of: City Clerk)

Recommendations: That the City Council:

1. Appoint Mayor Dr. Yxstian A. Gutierrez to serve as the City of Moreno Valley's 1st primary representative on the March Joint Powers Commission (MJPC).
2. Appoint Mayor Pro Tem Victoria Baca to serve as the City of Moreno Valley's 2nd primary representative on the March Joint Powers Commission (MJPC).
3. Appoint Council Member David Marquez to serve as the City of Moreno Valley's representative on the Riverside County Habitat

Conservation Agency (RCHCA).

4. Appoint Mayor Pro Tem Victoria Baca to serve as the City of Moreno Valley's representative on the Riverside County Transportation Commission (RCTC).
5. Appoint Council Member David Marquez to serve as the City of Moreno Valley's representative on the Riverside Transit Agency (RTA).
6. Appoint Mayor Dr. Yxstian A. Gutierrez to serve as the City of Moreno Valley's alternate representative on the Riverside Transit Agency (RTA).
7. Appoint Mayor Dr. Yxstian A. Gutierrez to serve as the City of Moreno Valley's representative on the Western Riverside Council of Governments (WRCOG).
8. Appoint Council Member David Marquez to serve as the City of Moreno Valley's representative on the Western Riverside County Regional Conservation Authority (RCA).
9. Approve the appointments to the remaining various committees and regional bodies as noted on the 2017 Council Committee Participation – Mayor's Recommendations List.

A.12. PAYMENT REGISTER - OCTOBER 2016 (Report of: Financial & Management Services)

Recommendation:

1. Receive and file the Payment Register.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

B.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

C. CONSENT CALENDAR - HOUSING AUTHORITY

C.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

- D.1. ORDINANCES - READING BY TITLE ONLY - THE MOTION TO ADOPT AN ORDINANCE LISTED ON THE CONSENT CALENDAR INCLUDES WAIVER OF FULL READING OF THE ORDINANCE.

Recommendation: Waive reading of all Ordinances.

E. PUBLIC HEARINGS

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration.

Those wishing to speak should complete and submit a GOLDENROD speaker slip to the Sergeant-at-Arms.

- E.1. PUBLIC HEARING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM MAIL BALLOT PROCEEDING (Report of: Public Works)

Recommendations: That the City Council:

1. Conduct the Public Hearing and accept public testimony regarding the mail ballot proceedings for First Industrial, LP and Miller-Jones Mortuary for approval of the National Pollutant Discharge Elimination System (NPDES) maximum commercial/industrial regulatory rate to be applied to the property tax bill.
2. Direct the City Clerk to count the returned NPDES ballots.
3. Verify and accept the results of the mail ballot proceedings as maintained by the City Clerk on the Official Tally Sheet.
4. Receive and file the Official Tally Sheet with the City Clerk's office.
5. If approved, authorize and impose the NPDES maximum commercial/industrial regulatory rate to the Assessor's Parcel Numbers mentioned in this report.

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

G. REPORTS

- G.1. CITY COUNCIL REPORTS ON REGIONAL ACTIVITIES

(Informational Oral Presentation - not for Council action)

March Joint Powers Commission (JPC)

Riverside County Habitat Conservation Agency (RCHCA)

Riverside County Transportation Commission (RCTC)

Riverside Transit Agency (RTA)

Western Riverside Council of Governments (WRCOG)

Western Riverside County Regional Conservation Authority (RCA)

School District/City Joint Task Force

Southern California Association of Governments (SCAG)

Box Springs Mutual Water District (BSMWD)

- G.2. CONSIDERATION OF METHOD TO FILL THE VACANCY IN DISTRICT 4 CREATED BY THE ELECTION OF MAYOR GUTIERREZ TO SERVE AS THE FIRST ELECTED MAYOR FOR THE CITY (Report of: City Attorney)

Recommendations: That the City Council:

1. Consider the method by which it desires to fill the vacancy (appointment or special election) in District 4 and direct staff accordingly.

- G.3. TRANSMITTAL OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT AND POPULAR ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2016 (Report of: Financial & Management Services)

Recommendations: That the City Council:

1. Receive and file the Comprehensive Annual Financial Report for the fiscal year that ended June 30, 2016.
2. Receive and file the Popular Annual Financial Report for the fiscal year that ended June 30, 2016.

- G.4. STATUS UPDATE ON STRATEGIC PLAN (Report of: City Manager)

Recommendation:

1. That the City Council receive and file the City Manager's status update on Momentum MoVal Strategic Plan objectives and initiatives.

- G.5. CITY MANAGER'S REPORT

(Informational Oral Presentation - not for Council action)

- G.6. CITY ATTORNEY'S REPORT

(Informational Oral Presentation - not for Council action)

H. LEGISLATIVE ACTIONS

H.1. ORDINANCES - 1ST READING AND INTRODUCTION - NONE

H.2. ORDINANCES - 2ND READING AND ADOPTION - NONE

H.3. ORDINANCES - URGENCY ORDINANCES - NONE

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY, HOUSING AUTHORITY AND THE BOARD OF LIBRARY TRUSTEES.

PUBLIC INSPECTION

The contents of the agenda packet are available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

Any written information related to an open session agenda item that is known by the City to have been distributed to all or a majority of the City Council less than 72 hours prior to this meeting will be made available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

ADJOURNMENT

CERTIFICATION

I, Marie Macias, MMC, Interim City Clerk of the City of Moreno Valley, California, certify that 72 hours prior to this Regular Meeting, the City Council Agenda was posted on the City's website at: www.moval.org and in the following three public places pursuant to City of Moreno Valley Resolution No. 2007-40:

City Hall, City of Moreno Valley
14177 Frederick Street

Moreno Valley Library
25480 Alessandro Boulevard

Moreno Valley Senior/Community Center
25075 Fir Avenue

Marie Macias, MMC
City Clerk

Date Posted: December 22, 2016



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Chief Financial Officer

AGENDA DATE: January 3, 2017

TITLE: SUPPLEMENTAL LAW ENFORCEMENT SERVICES ACCOUNT (SLESA) EXPENDITURE PLAN FOR FY 2016-17

RECOMMENDED ACTION

Recommendations:

1. Approve the attached Supplemental Law Enforcement Services Account (SLESA) Expenditure Plan for FY 2016-17.
2. Approve an increase of \$83,280 to the SLESA Grant Fund (Fund 2410) FY 2016-17 revenue budget to reflect the total FY 2016-17 allocation of \$408,280.
3. Approve an increase of \$83,280 to the SLESA Grant Fund FY 2016-17 expenditure budget (Fund 2410) to reflect the FY 2016-17 planned expenditure of \$408,280.

SUMMARY

The California Government Code requires City Council's appropriation of Supplemental Law Enforcement Services Account (SLESA) moneys for frontline municipal police services. Council's approval of the attached Supplemental Law Enforcement Services Account Expenditure Plan for FY 2016-17 will meet this requirement and approve the FY 2016-17 allocation of \$408,280. This allocation is \$83,280 greater than originally anticipated in the current budget. The budgetary adjustments being requested will increase the current FY 2016-17 appropriations for both SLESA revenues and expenditures by \$83,280.

DISCUSSION

The City of Moreno Valley uses the SLESA grant to fully fund one (1) sworn police officer assigned to the Career Criminal Apprehension Team (C-CAT) and fund 29% of a second sworn C-CAT police officer. The city General Fund will fund the remaining 71% of the second C-CAT position in its Special Enforcement Team (SET) budget.

Staff is requesting City Council to approve the expenditure plan and to adjust the FY 2016-17 SLESA budget based on recent notice of detailed calculations from Riverside County Sheriff's Department.

ALTERNATIVES

- 1. Approve the attached Supplemental Law Enforcement Services Account (SLESA) Expenditure Plan for FY 2016-17 and related budgetary adjustments. ***Staff recommends this alternative because it will ensure that the City receives all of this public safety funding.***
- 2. Do not approve the attached Supplemental Law Enforcement Services Account (SLESA) Expenditure Plan for FY 2016-17 and related budgetary adjustments. ***Staff does not recommend this alternative because it would jeopardize SLESA funding and impact law enforcement services.***

FISCAL IMPACT

The recommended adjustments will increase the SLESA budgeted revenues and expenditures by \$83,280 as identified in the following table.

SLESA Grant Fund (Fund 2410)	FY 2016-17 Adopted Budget	FY 2016-17 Adjusted Budget	Change Increase (Decrease)
Grant Revenue (486000)	\$325,000	\$408,280	\$83,280
Expenditures (620320)	\$325,000	\$408,280	\$83,280

NOTIFICATION

Publication of the Agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Dena Heald
Financial Operations Division Manager

Department Head Approval:
Marshall Eyerman
Chief Financial Officer

Concurred By:
Joel Ontiveros
Chief of Police

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

Objective 2.6: Enhance operational excellence and efficiency in delivery of Police services.

ATTACHMENTS

- 1. SLESA FY 16-17 Expenditure Plan

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/19/16 10:00 AM
City Attorney Approval	<u>✓ Approved</u>	12/22/16 8:57 AM
City Manager Approval	<u>✓ Approved</u>	12/22/16 9:54 AM

Supplemental Law Enforcement Standardized Forms Expenditure Plan FY 2016-2017

City Name: City of Moreno Valley

Beginning Fund Balance	-
Prior Yr Allocation	91,978.90
Received in Current Year	316,301.00
Current Year Allocation	408,279.90

EXPENDITURE PLANNED

Salaries and Benefits	408,279.90
Services and Supplies	-
Equipment	-
Administrative Overhead	-
Total Expenditure Planned	408,279.90

Date approved by the City Council: _____

The City Manager hereby certifies that the Supplemental Law Enforcement Services Plan was submitted to the City Council and approved as listed.

City Manager Signature

Date

Please provide the name of a contact person if there are any questions:

Dena Heald
Name

Date



Report to City Council

TO: Mayor and City Council

FROM: Thomas M. DeSantis, Assistant City Manager

AGENDA DATE: January 3, 2017

TITLE: RESOLUTION PROVIDING CONCEPTUAL SUPPORT FOR THE RIVERSIDE COUNTY BROADBAND MASTER PLAN

RECOMMENDED ACTION

Recommendation: That the City Council:

1. Adopt Resolution No. 2017-01. A Resolution of the City Council of the City of Moreno Valley, California, to provide conceptual support for the Riverside County Broadband Master Plan and the development of a Request for Participation (RFP) for the deployment of broadband fiber services to all homes, businesses and institutions countywide.

SUMMARY

This report recommends adoption of the Proposed Resolution to provide conceptual support for the Riverside County Broadband Master Plan and development of a Request for Participation (RFP) to encourage deployment of high speed fiber services to all homes, businesses and institutions countywide.

DISCUSSION

Riverside County initiated a project, called RIVCOconnect, to encourage deployment of high speed broadband service to all residences and businesses in the county. The project supports economic development objectives as well as an effort to enhance broadband access to low income households. The County requests that all cities support the initiative to help make Riverside County a more attractive market for broadband investment and thereby speed development of this essential service years sooner than might otherwise occur.

Internet service providers generally consider the Inland area a secondary market to more urbanized counties such as Los Angeles, San Diego, and Orange. Consequently, new technology is often deployed in our region years after its development in coastal areas. Riverside County hopes that this program will inspire Internet service providers to bid on projects to bring the next generation of broadband to this area over the next few years.

The County proposes that local government agencies take several steps to help attract Internet service providers. Adopting the recommended Resolution would be the first step; doing so would not commit the City to further actions. Should the City ultimately decide to proceed further with such program, subsequent steps would likely include:

- Evaluate existing assets that could be made available to the successful RFP bidder(s) that would contribute to building a county-wide gigabit fiber service.
- Adopt expedited fiber installation permitting processes.
- Establish a “Dig Once” process so that fiber conduits may be installed whenever road construction occurs.
- Consider becoming a customer of the system once it is built.
- Share information about ongoing or planned broadband projects, as well as commercial, residential, or institutional housing developments.

In recommending conceptual support, staff believes that facilitating private sector investment to expand high speed Internet connectivity would benefit Moreno Valley residents and businesses. Staff does not currently envision expenditure of public funds to support this initiative.

ALTERNATIVES

1. Adopt Resolution No. 2017-01. A Resolution of the City Council of the City of Moreno Valley, California, to provide conceptual support for the Riverside County Broadband Master Plan and the development of a Request for Participation (RFP) for the deployment of broadband fiber services to all homes, businesses and institutions countywide. *Staff recommends this alternative because it is consistent with the City’s commitment to economic development, could enhance broadband access for low income households, and would serve as a cooperative venture with the County of Riverside.*
2. Decline to adopt the attached proposed Resolution. *Staff does not recommend this alternative.*

FISCAL IMPACT

There is no fiscal impact or future fiscal commitment to adopting this Resolution. Adopting the recommended Resolution would not commit the City to further actions. Staff does not currently envision expenditure of public funds to support this initiative.

PREPARATION OF STAFF REPORT

Prepared By:
Steve Hargis
Technology Services Division Manger

Department Head Approval:
Thomas M. DeSantis
Assistant City Manager

CITY COUNCIL GOALS

Advocacy. Develop cooperative intergovernmental relationships and be a forceful advocate of City policies, objectives, and goals to appropriate external governments, agencies and corporations.

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

CITY COUNCIL STRATEGIC PRIORITIES

1. **Economic Development**
2. **Public Safety**
3. **Library**
4. **Infrastructure**
5. **Beautification, Community Engagement, and Quality of Life**
6. **Youth Programs**

Objective 1.1: Proactively attract high-quality businesses.

Objective 1.3: Promote local hiring through the expansion of local, quality, high paying jobs, and workforce development efforts.

Objective 1.4: Promote the development of the Medical Corridor along Nason Street to meet health care demands for residents of Moreno Valley and the region, bring quality jobs, and create business opportunities for ancillary support businesses in the health care industry.

Objective 1.5: Showcase Moreno Valley's unique assets.

Objective 2.1: Reduce crime, the fear of crime, and the perception of crime in the community.

Objective 4.5: Explore green/renewable innovations and technologies for new developments such as the World Logistics Center.

Objective 4.9: Expand upon existing Intelligent Transportation Systems.

ATTACHMENTS

1. Resolution No. 2017-01 RC Broadband Master Plan

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/14/16 7:51 AM
City Attorney Approval	<u>✓ Approved</u>	12/13/16 5:51 PM
City Manager Approval	<u>✓ Approved</u>	12/20/16 5:15 PM

RESOLUTION NO. 2017-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, PROVIDING CONCEPTUAL SUPPORT FOR THE RIVERSIDE COUNTY BROADBAND MASTER PLAN.

WHEREAS, all Riverside County residents, businesses and institutions need high quality gigabit broadband services where they live, work, learn and play; and

WHEREAS, closing the digital divide is important and provides long-term community benefits that include the ability to fully engage in the digital economy, access existing and emerging services, and expands economic opportunities; and

WHEREAS, high speed broadband enables improved healthcare access, treatment and information; and

WHEREAS, high speed broadband enables new business models, creates business efficiencies, drives job creation, and connects goods and services to customers and partners worldwide; and

WHEREAS, high speed broadband enables changes in how we access educational resources, collaborate, conduct research and continue to learn anytime, anyplace and at any pace; and

WHEREAS, high speed broadband enables greater civic participation and brings communities together, helps improve public safety, and makes our transportation systems more resilient and efficient; and

1
Resolution No. 2017-01
Date Adopted: January 3, 2017

WHEREAS, the City Council of Moreno Valley and other community partners can work together to affect the deployment decisions of broadband providers by lowering the cost of entry and operation of systems in our communities, reduce the risks of delays during the planning, permitting and construction phases, provide opportunities for increasing revenue, and creating new avenues for competitive entry.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

The City Council of Moreno Valley does hereby provide conceptual support for the Riverside County Broadband Master Plan and the development of a Request for Participation (RFP) for the deployment of gigabit fiber services to all homes, businesses and institutions countywide.

APPROVED AND ADOPTED this 3rd day of January, 2017.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

2
Resolution No. 2017-01
Date Adopted: January 3, 2017

Attachment: Resolution No. 2017-01 RC Broadband Master Plan [Revision 3] (2390 : RESOLUTION PROVIDING CONCEPTUAL SUPPORT FOR

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Marie Macias, Interim City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2017-01 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 3rd day of January, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

3
Resolution No. 2017-01
Date Adopted: January 3, 2017



Report to City Council

TO: Mayor and City Council

FROM: Thomas M. DeSantis, Assistant City Manager

AGENDA DATE: January 3, 2017

TITLE: AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS AND VOLOGY FOR CAMERAS, RADIOS, VIDEO STORAGE AND PROFESSIONAL SERVICES

RECOMMENDED ACTION

Recommendations:

1. Award a contract to Hitachi Data Systems, 2845 Lafayette Street, Santa Clara, CA, for cameras, radios, video storage, and professional services in an amount not to exceed \$230,228.
2. Award a contract to Vology Inc., 300 Spectrum Center Drive, Irvine, CA, for cameras in an amount not to exceed \$32,936.
3. Authorize the budget adjustments listed in the Fiscal Impact section to transfer funding for this project from various departments to Technology Services accounts.
4. Authorize the City Manager to execute any subsequent related change orders to the contracts with Hitachi Data Systems, Vology, or other required vendor up to, but not exceeding, the 3.8% contingency amount of \$10,000, subject to approval by the City Attorney.

SUMMARY

This report recommends award of contracts to Hitachi Data System (HDS) and Vology to purchase equipment and professional services to expand the Citywide Camera System to meet business needs identified by three departments. Purchases from HDS are based on a sole source provision and purchases from Vology were competitively quoted.

The system started with 258 cameras, has grown to 360 cameras, and is considered an invaluable tool by operating departments.

Three departments have identified requirements to expand the Citywide Camera System.

The Police Department is using asset forfeiture funding to add cameras at seven key intersections. The Facilities Division is replacing outdated cameras at City Hall, the Animal Shelter, and the Conference and Recreation Center. The Moreno Valley Utility (MVU) is replacing outdated cameras at the Moreno Beach substation. Cameras purchased by Facilities and MVU will bring areas into the Citywide Camera System which had previously operated independently.

BACKGROUND

In August 2012, the City Council awarded a contract and a five (5) year support agreement to HDS following a Request for Proposals (RFP) process. The award capped an extensive review of camera systems at other jurisdictions and a competitive proposal process from vendors nationwide. During the fourth quarter of 2011 and the first quarter of 2012, Police and City Staff reviewed camera systems and met with representatives from several Southern California cities concerning their camera systems. After evaluating various camera systems, City Staff determined that a citywide camera system would enhance the law enforcement capabilities of the Moreno Valley Police Department and enable other City Departments to benefit from the system.

In order to comply with the Resolution 2016-020, City Council approval is required for purchases to the same vendor that exceed \$75,000 for public works items. In order for departments to expand with additional cameras, storage, and transmission equipment, City Council approval is sought for the proposed expansions of the Citywide Camera System.

Staff recommends that expansion of the Citywide Camera System be performed by HDS as a sole source provider (City Procurement Policy #3.18, Section V, Paragraphs A.8 & 9). Since the system was designed and built by HDS after a competitively bid process, the expertise to enhance that system is uniquely held by HDS. Additionally, the City is approximately four years into a 5-year agreement with HDS to provide maintenance for the system. HDS's knowledge of the complete system, how it works and how to enhance it, is not easily, quickly, or inexpensively obtainable in the open market.

Citywide Camera System Enhancements – Police Department

The Police Department has identified the following intersections as the highest priority locations for the placement of additional cameras. (These locations are subject to potential refinement based on information obtained during the installation.)

- Northeast corner of Bay and Graham (one Pan-Tilt-Zoom (PTZ) and two fixed cameras)
- Northeast corner of Bay and Lasselle (one PTZ and two fixed cameras)
- Southeast corner of Krameria and Kitching (one PTZ and two fixed cameras)
- North corner of Eucalyptus and Memorial (one PTZ and two fixed cameras)
- Northwest corner of Ironwood and Nason (one PTZ and two fixed cameras)
- Northwest corner of Kitching and Ironwood (one PTZ and two fixed cameras)
- Intersection of Perris, Heacock, and Reche Vista (one PTZ and two fixed cameras)

Citywide Camera System Enhancements – Facilities Division

The Facilities Division will replace outdated cameras in three key facilities. The cameras in City Hall, the Animal Shelter, and the Conference and Recreation Center are more than ten years old and produce images that are often unusable due to the poor quality.

Citywide Camera System Enhancements – Moreno Valley Utility

The Moreno Valley Utility will replace four cameras at the Moreno Beach substation. These older cameras no longer function reliably, and were installed prior to the existence of the Citywide Camera System. Images from these cameras are monitored 24 hours a day by the ENCO Utility Services call center.

Citywide Camera System Enhancements – Citywide

As a citywide asset, underlying components of the Camera system benefit all users. Several portions of the system will also be improved to maximize the benefit of the proposed expansion and enhancements. These activities are listed below.

- Install and upgrade necessary wireless infrastructure located at:
 - Alessandro and Graham
 - Alessandro and Heacock
 - Cactus and Lasselle
 - Cactus and Perris
 - Kitching and Perris
 - Nason and Highway 60
 - Perris and Iris
 - Perris and Ironwood
 - Towngate Park
- Implement hierarchical storage so that the most recent images are readily accessible before being stored for archive purposes
- Create Fast video storage capacity of 14 Terabytes (TB) via solid-state drives
- Utilize 211 TB of hard-disk drives for archival storage

ALTERNATIVES

1. Award a contract to Hitachi Data Systems for cameras, radios, video storage, and professional services for an amount not to exceed \$230,228.; award a contract to Vology Inc. for cameras for an amount not to exceed \$32,936; authorize recommended budget adjustments to transfer asset forfeiture funding and existing appropriations from various departments to Technology Services accounts; authorize the City Manager to execute any subsequent related change orders to the contracts with Hitachi Data Systems, Vology, or other required vendor up to, but not exceeding, the 3.8% contingency amount of \$10,000, subject to the approval of the City Attorney. *Staff recommends this alternative to expand and enhance the Citywide Camera System to address service priorities identified by City departments.*

2. Do not award the contracts to Hitachi Data Systems and Vology. *Staff does not recommend this option as it would not expand or enhance the Citywide Camera System.*

FISCAL IMPACT

Funding for this project is available via the Police Department's Asset Forfeiture account, and in Facilities and Moreno Valley Utility expense budgets previously approved by the City Council. The recommended actions will not impose additional General Fund costs. All funds will be consolidated into the Technology Services budget to complete the project.

Description	Fund	GL Account No.	Type (Rev/Exp)	FY 16/17 Budget	Proposed Adjustments	FY 16/17 Amended Budget
PD Asset Forfeitures	GF	1010-60-65-40010-480150	Rev	\$0	\$203,371	\$203,371
Police	GF	1010 Transfer out to 7220	Exp	\$0	\$203,371	\$203,371
Facilities	Facilities Assets	7320.18.40.18410.660310	Exp	\$349,650	(\$65,000)	\$284,650
Facilities	Facilities Assets	7320 Transfer out to 7220	Exp	\$0	\$65,000	\$65,000
Moreno Valley Utility	MVU	6010-30-80-45510-630330	Exp	\$5,500	(\$4,793)	\$707
Moreno Valley Utility	MVU	6010 Transfer out to 7220	Exp	\$0	\$4,793	\$4,793
Technology Services	TS Assets	7220 Transfer in from 1010	Exp	\$0	\$203,371	\$203,371
Technology Services	TS Assets	7220 Transfer in from 7320	Exp	\$0	\$65,000	\$65,000
Technology Services	TS Assets	7220 Transfer in from 6010	Exp	\$0	\$4,793	\$4,793
Technology Services	TS Assets	7220-16-39-25455-700236	Exp	\$200,000	\$273,164	\$473,164

Consistent with established fiscal policy, the City sets aside a portion of the value of new equipment to create a Replacement Reserve that will fund replacement of these system components (i.e. cameras, radios, and video storage equipment) when they reach the end of their useful life. The annual estimated replace cost for these assets is

\$54,633 based on a projected 5-year life cycle for this equipment.

NOTIFICATION

N/A

PREPARATION OF STAFF REPORT

Prepared by:
Steve Hargis
Technology Services Division Manager

Department Head Approval by:
Thomas M. DeSantis
Assistant City Manager

Concurred by:
Lt. Zachary Hall
Police Department

Concurred by:
Rix Skonberg
Purchasing & Facilities Division Manager

Concurred by:
Jeanette Olko
Electric Utility Division Manager

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

CITY COUNCIL STRATEGIC PRIORITIES

1. **Economic Development**
2. **Public Safety**
3. **Library**
4. **Infrastructure**
5. **Beautification, Community Engagement, and Quality of Life**
6. **Youth Programs**

Objective 1.7: Promote small business development and entrepreneurship.

Objective 2.1: Reduce crime, the fear of crime, and the perception of crime in the community.

Objective 2.6: Enhance operational excellence and efficiency in delivery of Police services.

Objective 2.8: Enhance communication and coordination with City departments to provide accountability in emergency preparedness activities and minimize redundancy of efforts citywide.

Objective 2.9: Building upon momentum established with the El Niño Preparedness initiative, maintain and expand partnerships with community organizations throughout the City.

Objective 4.7: Demonstrate innovative and industry leading transportation systems.

Objective 4.9: Expand upon existing Intelligent Transportation Systems.

ATTACHMENTS

- 1. HDSquote10124999-1Proposal
- 2. HDSquote10124999-1PDintersections
- 3. HDSquote10109977-8PDintersectionsStorage
- 4. CitywideCameraQuoteSummary

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/21/16 2:26 PM
City Attorney Approval	<u>✓ Approved</u>	12/21/16 1:55 PM
City Manager Approval	<u>✓ Approved</u>	12/21/16 2:59 PM

HITACHI
Inspire the Next



Hitachi Data Systems
500 Park Blvd Ste 300
Itasca, IL 60143-3167
United States
Order email: HDSOrders@hds.com

Additional Intersection Proposal
for
City of Moreno Valley

December 5th 2016

Table of Contents

Introduction	3
Bay & Graham.....	4
Overview:.....	4
Scope of Work:	5
Assumptions and Responsibilities:.....	5
Bay and Lasselle	5
Overview:.....	5
Scope of Work:	6
Assumptions and Responsibilities:.....	7
Krameria and Kitching	7
Overview:.....	7
Scope of Work:	9
Assumptions and Responsibilities:.....	10
Eucalyptus and Memorial	10
Overview:.....	10
Scope of Work:	11
Assumptions and Responsibilities:.....	11
Ironwood and Nason	12
Overview:.....	12
Scope of Work:	13
Assumptions and Responsibilities:.....	13
Kitching and Ironwood (Alternate for Kitching and Elder)	14
Overview:.....	14
Scope of Work:	15
Assumptions and Responsibilities:.....	15
Cactus/Lasselle to Cactus/Perris Backhaul	16
Overview:.....	16
Scope of Work:	16
Assumptions and Responsibilities:.....	17
Pigeon Pass South of Lawless Drive	17
Overview:.....	17
Scope of Work:	18
Assumptions and Responsibilities:.....	19

Attachment: HDSquote10124999-1Proposal [Revision 1] (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS AND

Introduction

This document details the proposed expansion for the City of Moreno Valley video surveillance system to include:

- Bay and Graham intersection northeast corner to include 3 cameras (HVP600 w/ PTZ, 2 Fixed)
- Bay and Lasselle intersection northeast of southwest corner in include 3 cameras (HVP600 w/ PTZ, 2 Fixed)
- Krameria and Kitching southeast corner to include 3 cameras (HVP600 w/ PTZ, 2 Fixed)
- Eucalyptus and Memorial intersection west side of north corner to include 3 cameras (HVP600 w/ PTZ, 2 Fixed)
- Ironwood and Nason intersection northwest corner to include 3 cameras (HVP600 w/ PTZ, 2 Fixed)
- Kitching and Ironwood intersection northwest corner to include 3 cameras (HVP600 w/ PTZ, 2 Fixed)
- Install and upgrade necessary wireless infrastructure to support new camera locations
- Replace existing wireless backhaul with city provided fiber connection to enhance existing infrastructure
- Pigeon Pass south of Lawless Drive (east side) to include 3 cameras (HVP600 w/ PTZ, 2 Fixed) with new 30 foot pole, or alternatively,
- Intersection of Perris, Heacock, and Reche Vista to include 3 cameras (HVP600 w/ PTZ, 2 Fixed) depending on communication connectivity

Bay & Graham

Overview:

This intersection has no direct line of sight to an existing wireless node in the network and no city fiber exists at this location. However, a wireless relay can be used at the Alessandro and Graham intersection to relay the video traffic through the wireless network pop at Alessandro and Indian.



Bay and Graham Intersection



Scope of Work:

Bay & Graham

- Install HVP Model 600 enclosure with Sony ER550 PTZ camera and two fixed Sony CH280 cameras at the northeast corner at Bay and Graham
- Install and terminate single point to point radio into HVP enclosure
- Replace existing weathered power junction box on pole with single gang box
- Provide, Install and terminate existing power into the HVP600 enclosure using weather proof twist lock plug adapter and #14 Gauge SO cord
- Install two fixed cameras on pole and wire for power and network access into the HVP600 enclosure
- Provide licensing for new cameras into City's Video Management System (VMS)
- Configure new cameras into system
- Configure all network equipment

Alessandro & Graham

- Provide and install NEMA rated enclosure to house all electrical and network equipment necessary for deployment on relay pole at northwest corner of Alessandro and Graham
- Install and terminate two point to point radios into NEMA enclosures
- Replace existing weathered power junction box on pole with units with single gang box
- Terminate existing power into NEMA enclosure using weather proof twist lock plug adapter and #14 Gauge SO cord.

Alessandro & Heacock

- Install and terminate one point to point radio into existing camera enclosure at southeast corner of Alessandro and Heacock
- Update system documentation

Assumptions and Responsibilities:

- City of Moreno Valley to provide 120V continuous power at street light poles utilized for equipment
- City of Moreno Valley to obtain necessary permitting and any mode of understanding (MOU) required

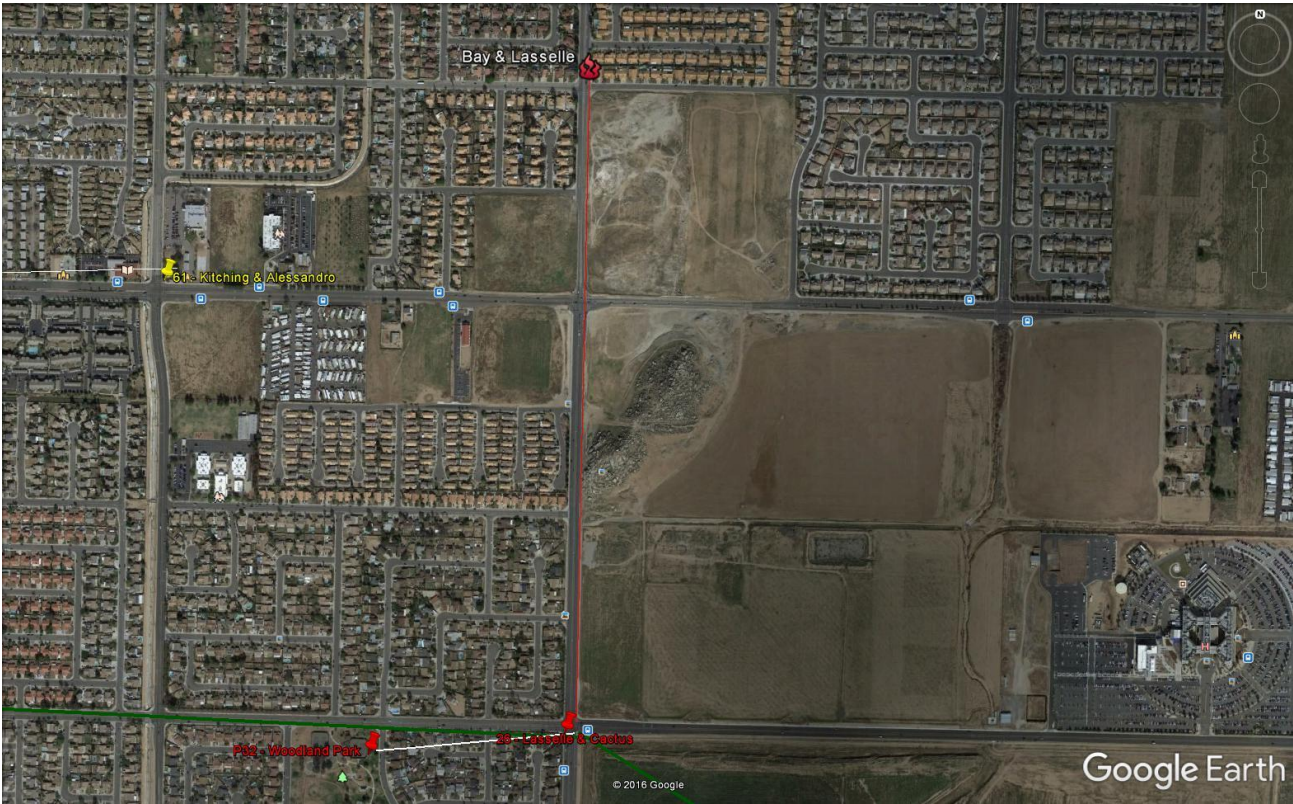
Bay and Lasselle

Overview:

This intersection has a direct line of sight to an existing wireless pop at Lasselle and Cactus. A wireless link will be installed between this new pole location (northeast corner) and the existing wireless location at Lasselle and Cactus (northeast corner).



Bay and Lasselle Intersection



Scope of Work:

Bay & Lasselle

- Install HVP Model 600 enclosure with Sony ER550 PTZ camera and two fixed Sony CH280 cameras at the northeast corner at Bay and Graham
- Install and terminate single point to point radio into HVP enclosure
- Replace existing weathered power junction box on pole with single gang box

Attachment: HDSquote10124999-1Proposal [Revision 1] (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS AND

- Provide, Install and terminate existing power into the HVP600 enclosure using weather proof twist lock plug adapter and #14 Gauge SO cord
 - Install two fixed cameras on pole and wire for power and network access into the HVP600 enclosure
 - Provide licensing for new cameras into City's Video Management System (VMS)
 - Configure new cameras into system
 - Configure all network equipment
- Cactus and Lasselle**
- Install and terminate one point to point radio into existing camera enclosure at northeast corner of Bay and Lasselle
 - Update system documentation

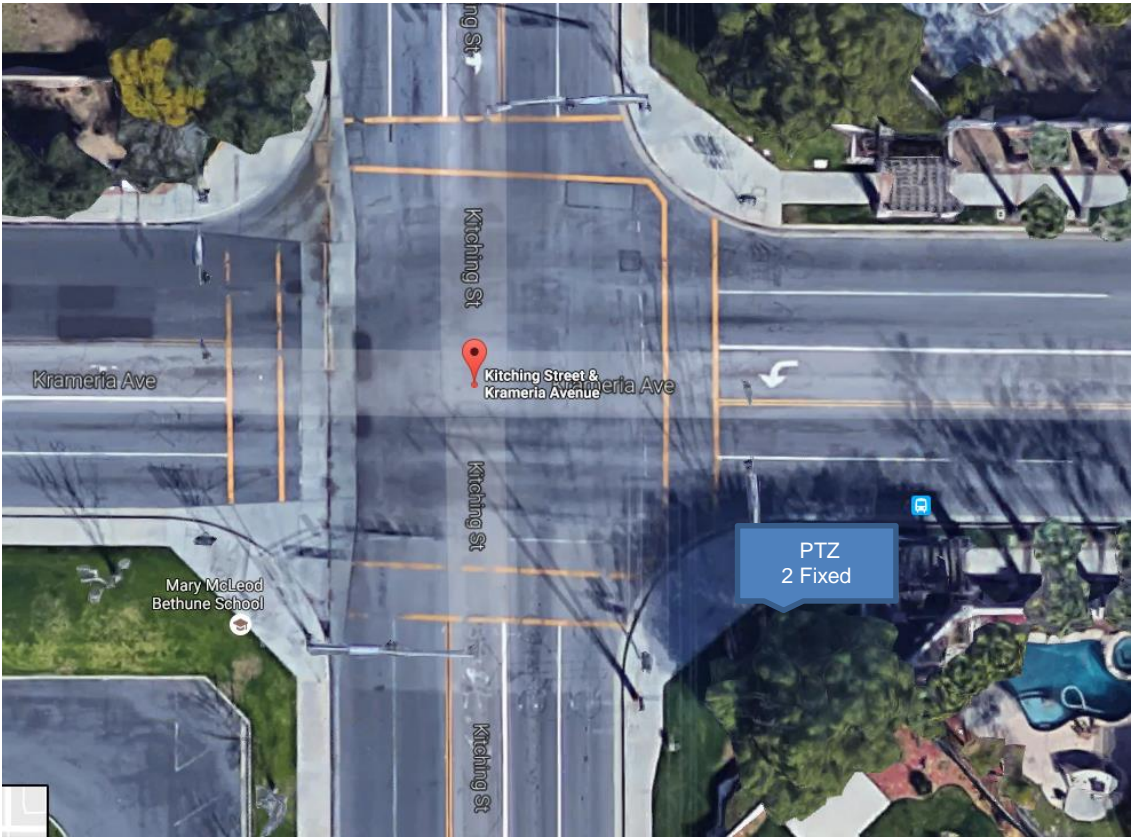
Assumptions and Responsibilities:

- City of Moreno Valley to provide 120V continuous power at street light poles utilized for equipment
- City of Moreno Valley to obtain necessary permitting and any mode of understanding (MOU) required

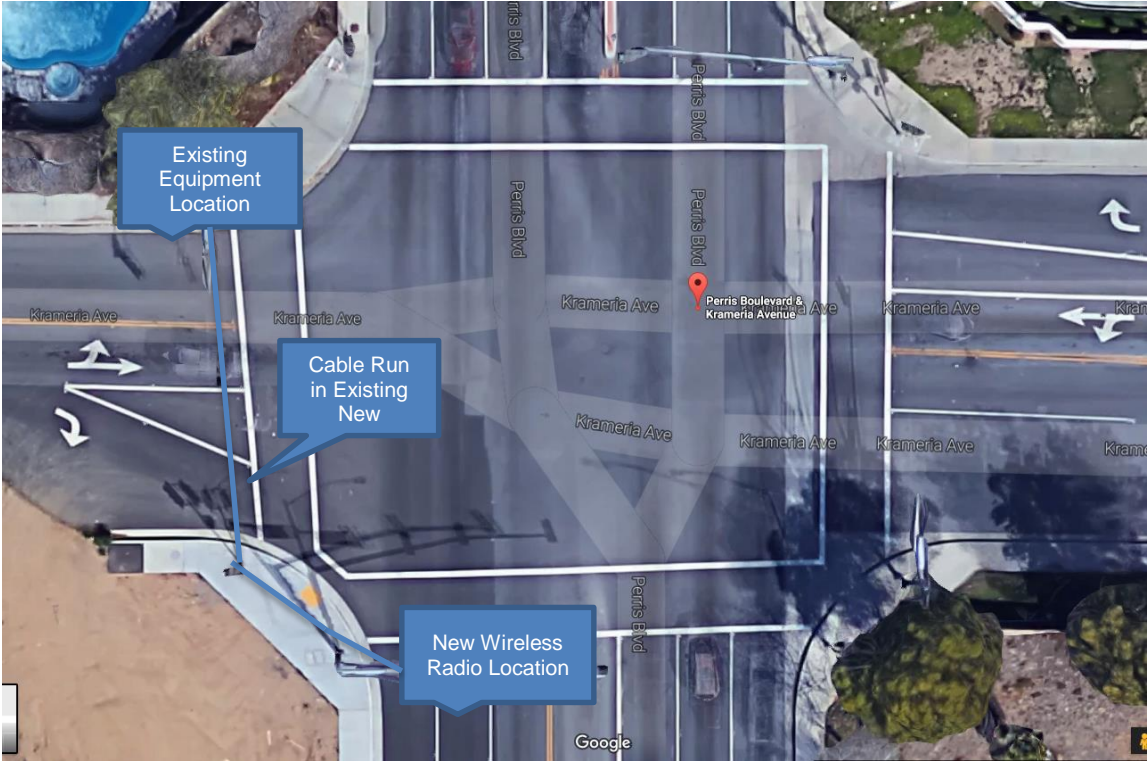
Krameria and Kitching

Overview:

This intersection has no direct line of sight to an existing wireless node in the network and no city fiber exists at this location. The most viable path to bring the video streams into the intersection is located at Perris and Iris intersection. To accomplish this a series of two relays at the intersection of Kitching and Perris will be used. There is a line of sight from the southeast corner of Krameria and Kitching to the street light pole at northwest corner of Kitching and Perris, however from the Kitching and Perris intersection the only line of sight available is from the northeast street light. Upon inspection of the underground conduit linking the intersections at Kitching and Perris the conduit appears to not have enough room to run cable across the intersection in order to directly wire a relay radio at the northeast corner. Therefore two wireless relays will be needed at the Kitching and Perris intersections, one on the northeast corner and one on the northwest corner. From the northeast corner at Kitching and Perris there is a direct line of sight available to the southwest corner of Perris and Iris. The current wireless pop at this corner is on the northwest corner. Upon inspection of the underground conduit at this intersection there is adequate room to run a Cat5 cable from the northwest corner to the southwest corner. This will allow for a point to point radio to be installed on the southwest corner to be directly connected to the installed site on the northwest corner.

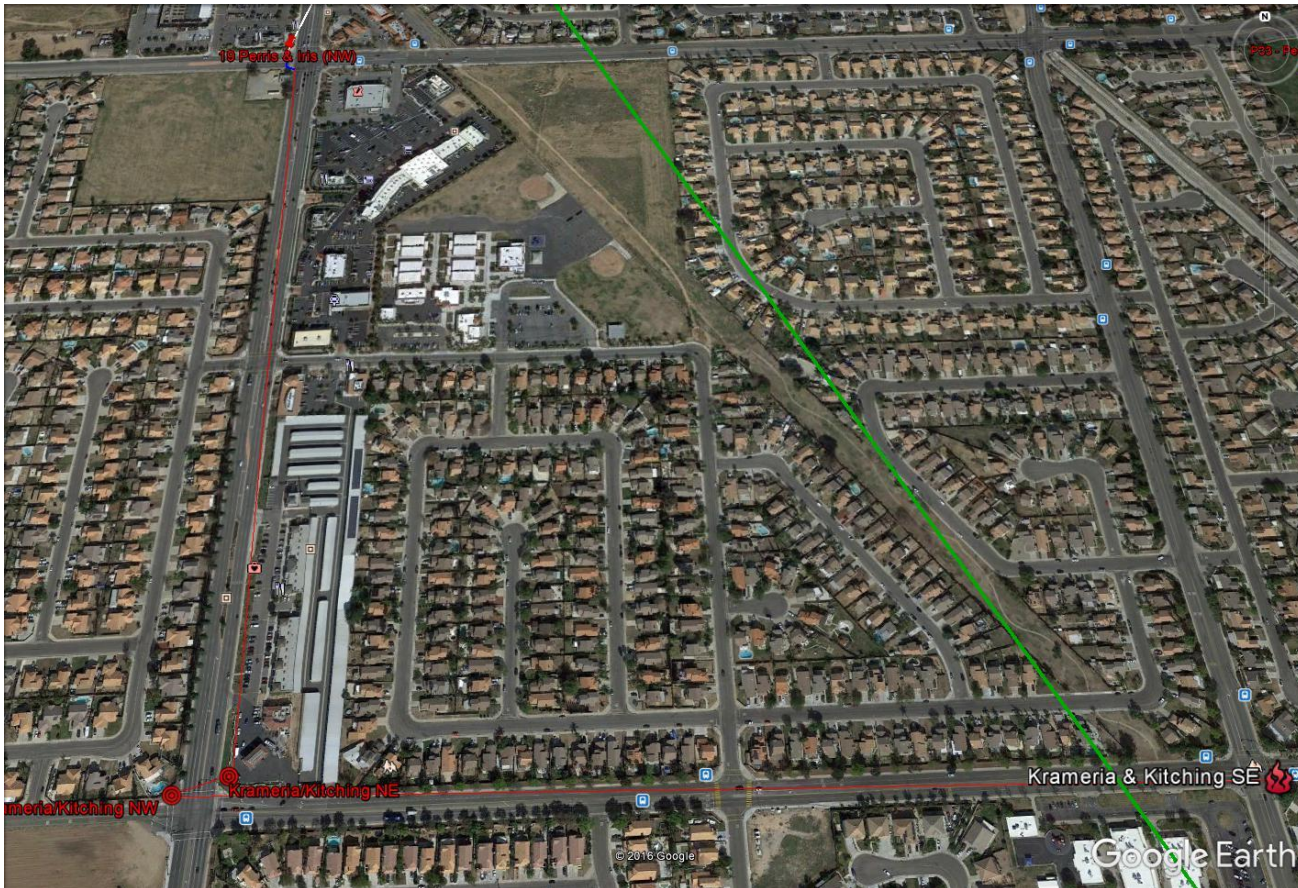


Kitching and Krameria Intersection



Krameria and Perris Intersection

Attachment: HDSquote10124999-1Proposal [Revision 1] (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS AND



Scope of Work:

Kitching and Krameria

- Install HVP Model 600 enclosure with Sony ER550 PTZ camera and two fixed Sony CH280 cameras at the southeast corner at Kitching and Karella
- Install and terminate single point to point radio into HVP enclosure
- Replace existing weathered power junction box on pole with single gang box
- Provide, Install and terminate existing power into the HVP600 enclosure using weather proof twist lock plug adapter and #14 Gauge so cord
- Install two fixed cameras on pole and wire for power and network access into the HVP600 enclosure
- Provide licensing for new cameras into City's Video Management System (VMS)
- Configure new cameras into system
- Configure all network equipment

Kitching and Perris

- Provide and two install NEMA rated enclosure to house all electrical and network equipment necessary for deployment on relay pole at northwest and northeast corners at Kitching and Perris
- Install and terminate two point to point radios into NEMA enclosures at each corner
- Replace existing weathered power junction box on pole with units with single gang box at each intersection

- Terminate existing power into NEMA enclosures using weather proof twist lock plug adapter and #14 Gauge SO cord

Perris and Iris

- Install and terminate cable (NOTE: cable run by city between intersections) for point to point radio on southwest corner street light at Perris and Iris
- Update system documentation

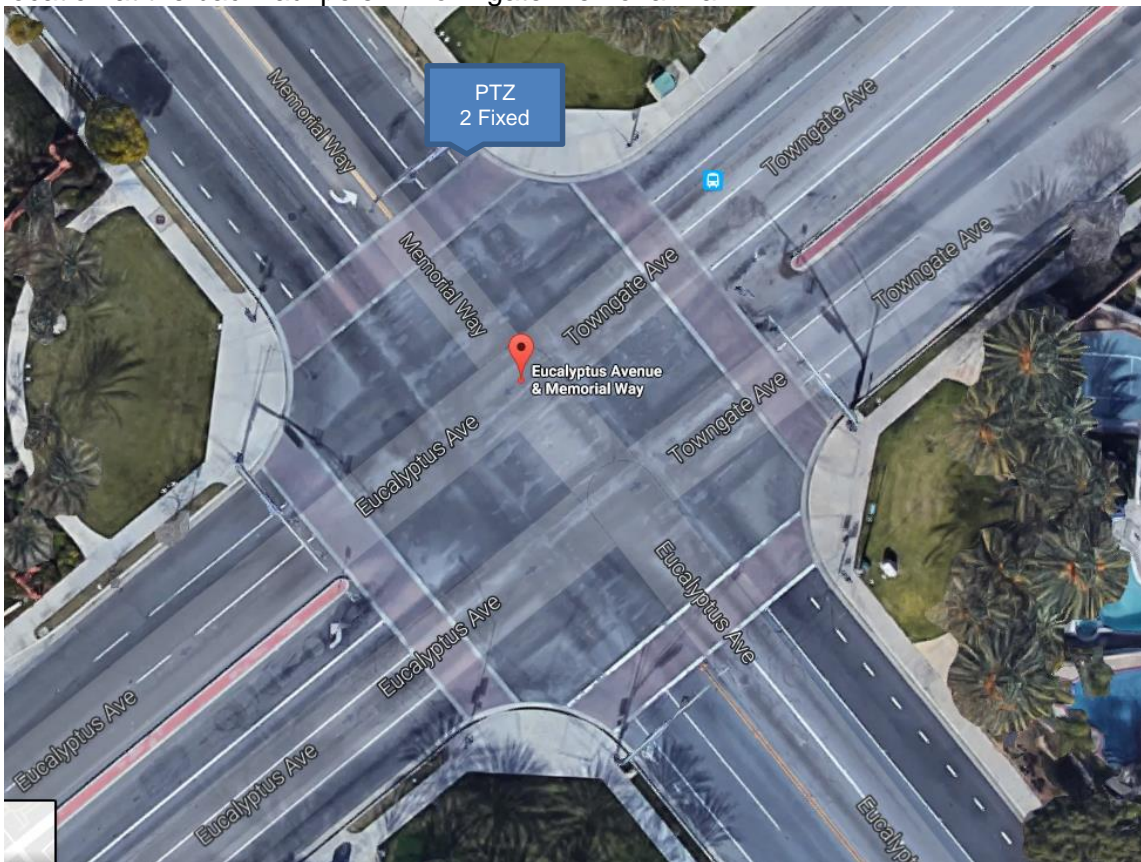
Assumptions and Responsibilities:

- City of Moreno Valley to run outdoor Cat5 cable (supplied by HDS) through Cities underground conduit between northwest and southwest street light poles at Perris and Iris
- City of Moreno Valley to provide 120V continuous power at street light poles utilized for equipment
- City of Moreno Valley to obtain necessary permitting and any mode of understanding (MOU) required

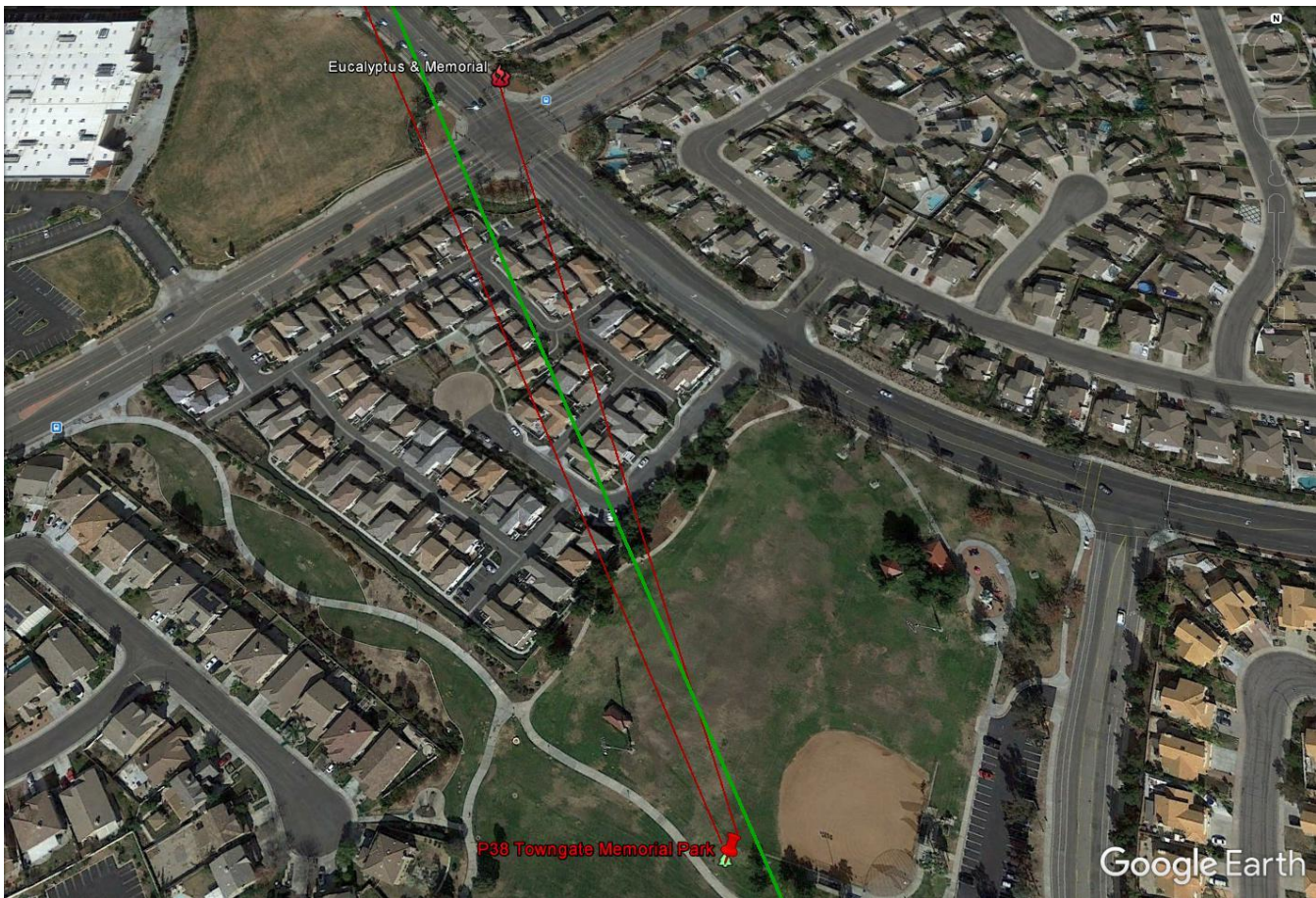
Eucalyptus and Memorial

Overview:

This intersection has a direct line of sight to an existing wireless pop at Towngate Memorial Park. A wireless link will be installed between this new pole location (northwest pole on north corner) and the existing wireless location at the backhaul pole in Towngate Memorial Park.



Eucalyptus and Memorial Way Intersection



Scope of Work:

Eucalyptus and Memorial

- Install HVP Model 600 enclosure with Sony ER550 PTZ camera and two fixed Sony CH280 cameras at the northeast corner at Bay and Graham
- Install and terminate cable (NOTE: cable run by city between intersections) for point to point radio on northeast corner street light at Eucalyptus and Memorial
- Replace existing weathered power junction box on pole with single gang box
- Provide, Install and terminate existing power into the HVP600 enclosure using weather proof twist lock plug adapter and #14 Gauge so cord
- Install two fixed cameras on pole and wire for power and network access into the HVP600 enclosure
- Provide licensing for new cameras into City's Video Management System (VMS)
- Configure new cameras into system
- Configure all network equipment

Towngate Park

- Install and terminate one point to point radio on Towngate Memorial Park backhaul pole into existing camera enclosure
- Update system documentation

Assumptions and Responsibilities:

- City of Moreno Valley to provide 120V continuous power at street light poles utilized for equipment
- City of Moreno Valley to obtain necessary permitting and any mode of understanding (MOU) require

Ironwood and Nason

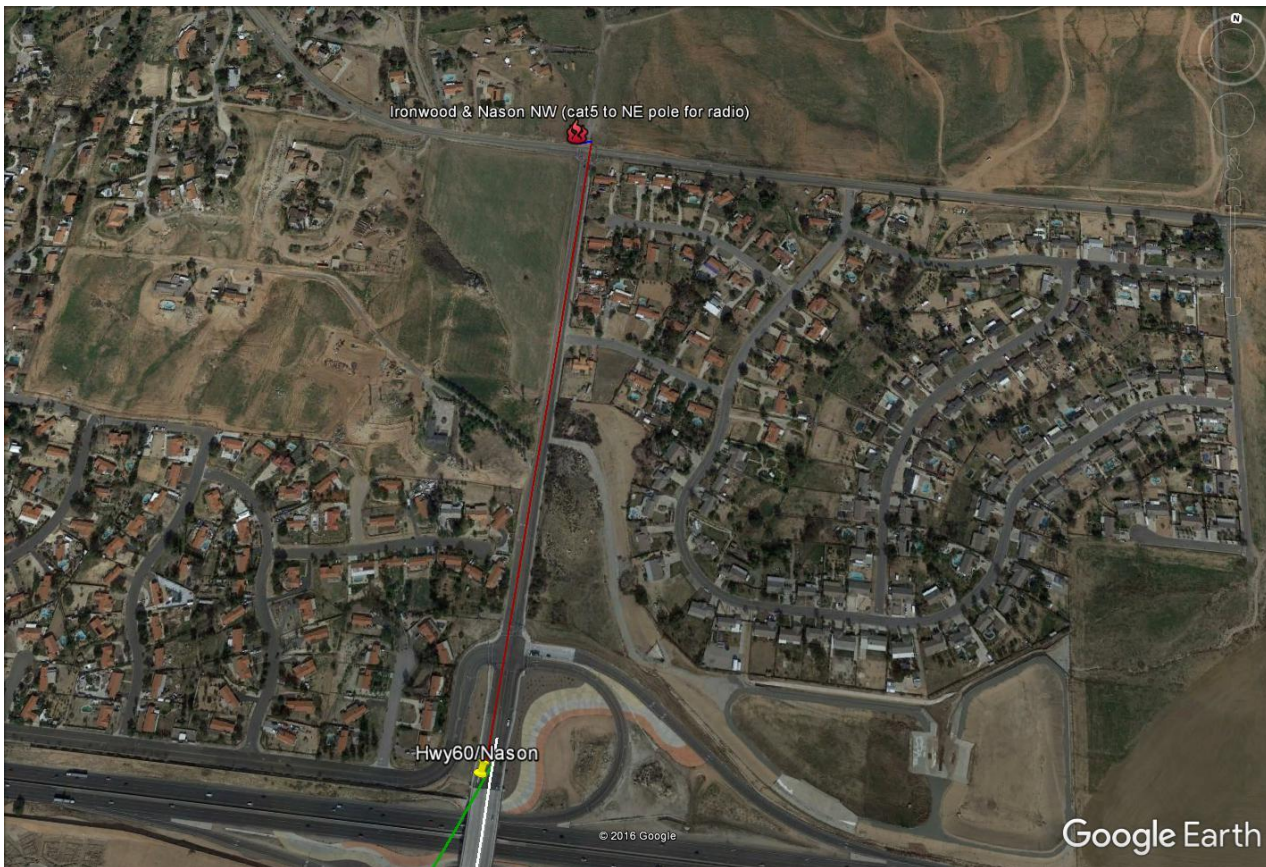
Overview:

This intersection has a direct line of sight to an existing wireless pop at Nason and Hwy60. A wireless link will be installed between the street light pole on the northeast corner of Ironwood and Nason with the City of Moreno to run a cat5 (supplied by HDS) using the underground conduit between the northwest and northeast street light poles at this intersection. Upon inspection of the underground conduit, there is sufficient room to run the cable.



Ironwood and Nason Intersection

Attachment: HDSquote10124999-1Proposal [Revision 1] (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS AND



Scope of Work:

Ironwood and Nason

- Install HVP Model 600 enclosure with Sony ER550 PTZ camera and two fixed Sony CH280 cameras at the northwest corner at Ironwood and Nason
- Install and terminate single point to point radio into HVP enclosure
- Replace existing weathered power junction box on pole with single gang box
- Provide, Install and terminate existing power into the HVP600 enclosure using weather proof twist lock plug adapter and #14 Gauge so cord
- Install two fixed cameras on pole and wire for power and network access into the HVP600 enclosure
- Provide licensing for new cameras into City's Video Management System (VMS)
- Configure new cameras into system
- Configure all network equipment

Nason and Hwy60

- Run cat5 cable using existing conduit from equipment box to light pole
- Install and terminate one point to point radio into existing equipment enclosure at site
- Update system documentation

Assumptions and Responsibilities:

- City of Moreno Valley to run outdoor Cat5 cable (supplied by HDS) through Cities underground conduit between northwest and northeast street light poles at Ironwood and Nason
- City of Moreno Valley to provide 120V continuous power at street light poles utilized for equipment
- City of Moreno Valley to obtain necessary permitting and any mode of understanding (MOU) require

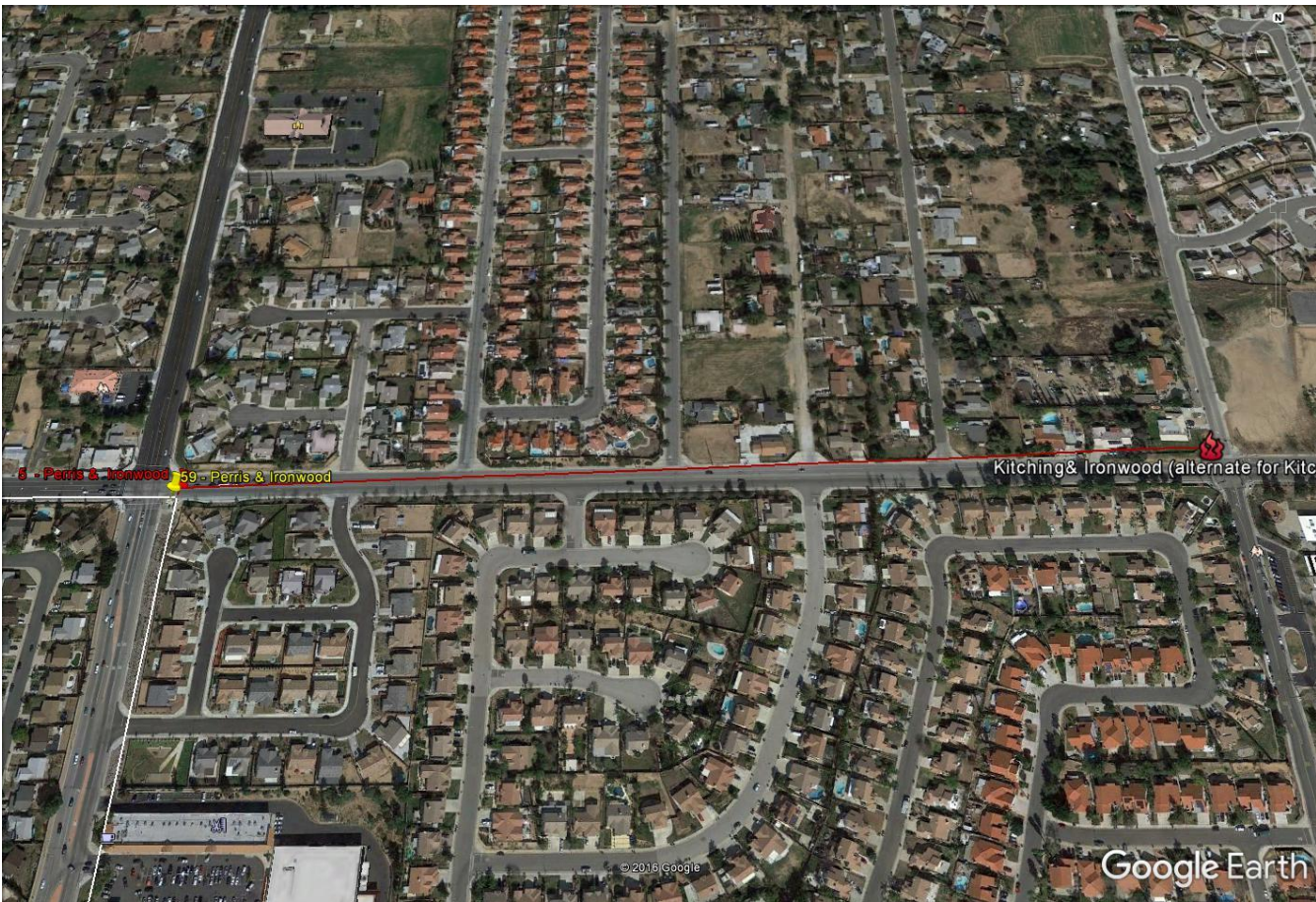
Kitching and Ironwood (Alternate for Kitching and Elder)

Overview:

This intersection was chosen as a possible alternate for the Kitching and Elder location which has no traffic light control and therefore no electrical resource to use. The pole on the northwest corner of Kitching and Ironwood has a direct line of sight to an existing wireless pole at Perris and Ironwood. A wireless link will be installed between the street light pole on the northwest corner of Kitching and Ironwood to the existing installation on the southwest pole at Perris and Ironwood.



Kitching and Ironwood Intersection



Scope of Work:

Kitching and Ironwood

- Install HVP Model 600 enclosure with Sony ER550 PTZ camera and two fixed Sony CH280 cameras at the northwest corner at Kitching and Ironwood
- Install and terminate single point to point radio into HVP enclosure
- Replace existing weathered power junction box on pole with single gang box
- Provide, Install and terminate existing power into the HVP600 enclosure using weather proof twist lock plug adapter and #14 Gauge so cord
- Install two fixed cameras on pole and wire for power and network access into the HVP600 enclosure
- Provide licensing for new cameras into City's Video Management System (VMS)
- Configure new cameras into system
- Configure all network equipment

Perris and Ironwood

- Run cat5 cable using existing conduit from equipment box to light pole
- Install and terminate one point to point radio into existing equipment enclosure at site
- Update system documentation

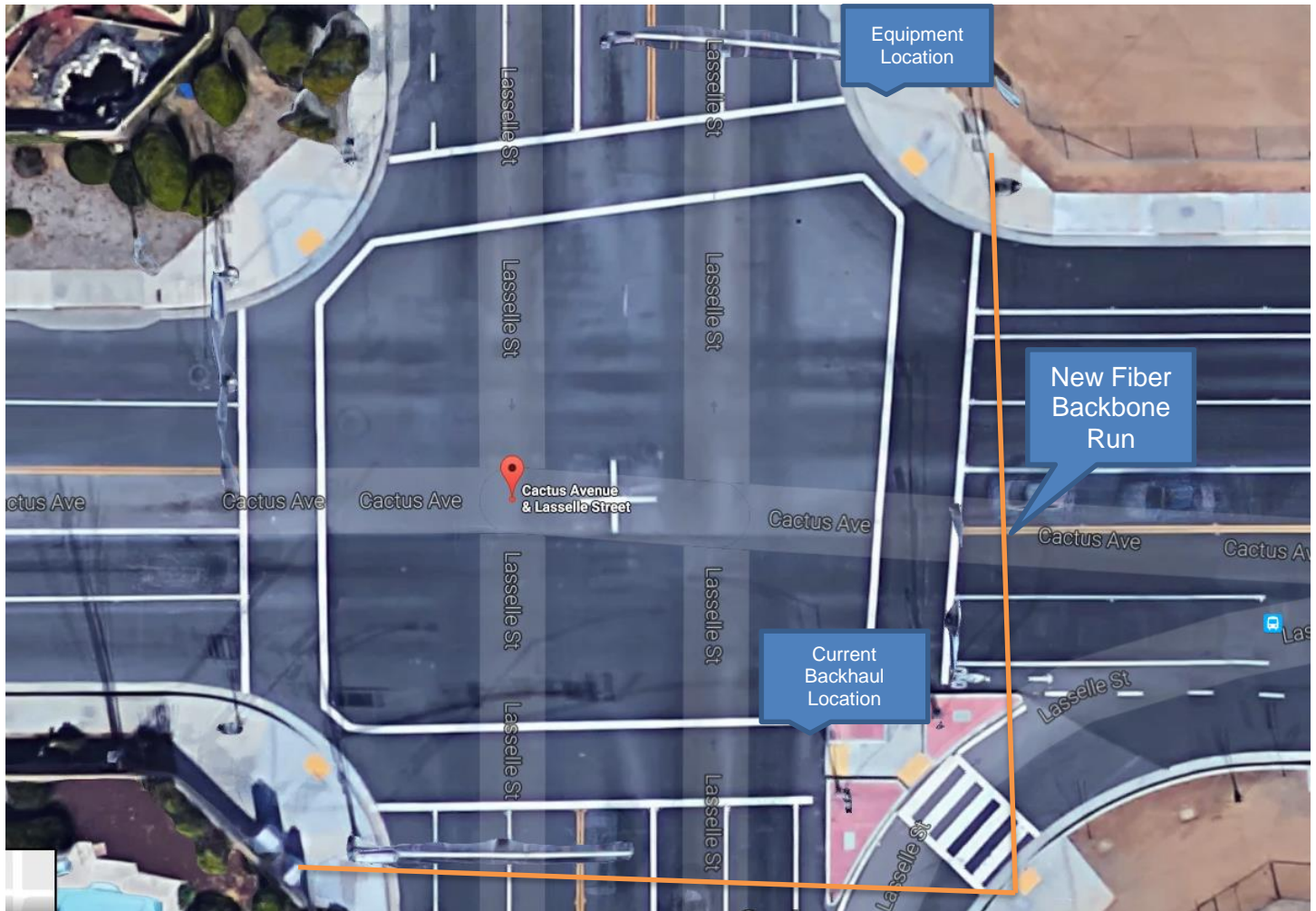
Assumptions and Responsibilities:

- City of Moreno Valley to provide 120V continuous power at street light poles utilized for equipment
- City of Moreno Valley to obtain necessary permitting and any mode of understanding (MOU) require

Cactus/Lasselle to Cactus/Perris Backhaul

Overview:

The backhaul link between these locations currently streams 22 cameras with an additional 6 cameras proposed. This link at times is experiencing congestion and intermitted interference due to traffic conditions along the street and tree foliage line of sight issues. The City has available a fiber pop at both locations with an abundance of dark fiber available. It is recommended at this time that this backhaul is switched from wireless connectivity to a fiber connection between the existing video network switches located at each intersection.



Cactus and Lasselle Intersection

Scope of Work:

Cactus and Lasselle

- City of Moreno Valley to install and terminate 1 pair of single mode from the camera equipment located on the northeast corner of Cactus and Lasselle to the fiber pop enclosure on the southeast corner
- Install and program single mode SFP into existing network equipment on northeast corner

- Uninstall wireless backhaul equipment on southeast corner of Cactus and Lasselle
Cactus and Perris
- City to provide single mode fiber patch cable to connect fiber pair from Cactus and Lasselle to existing video network switch in fiber pop enclosure
- Install and program single mode SFP into existing network equipment in fiber cabinet
- Update system documentation

Assumptions and Responsibilities:

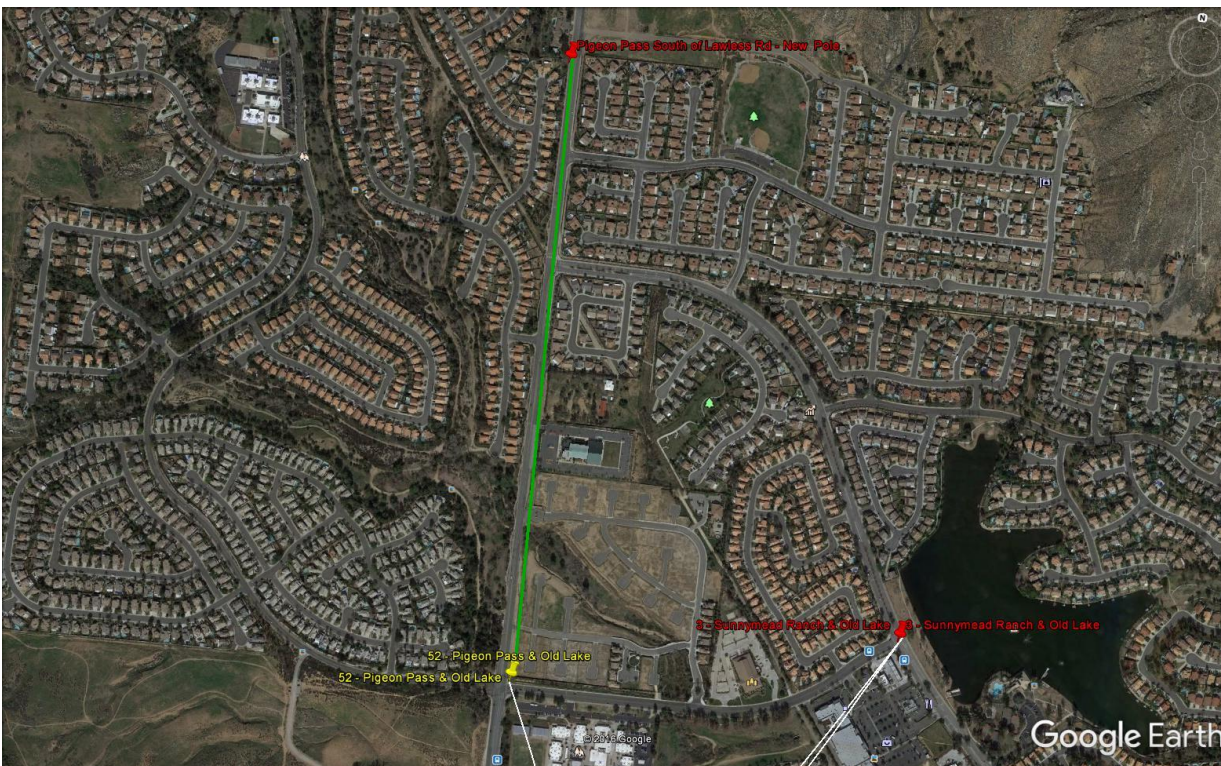
- City of Moreno Valley to provide, install and terminate 1 pair (6 strand optional) single mode fiber cable between video equipment on northwest corner of intersection to fiber pop enclosure on the southeast corner

Pigeon Pass South of Lawless Drive

Overview:

This site is just south of the Pigeon Pass and Lawless Drive intersection on the west side of Pigeon Pass. Although no pole exist at this site it was chosen since the City of Moreno Valley has available power at this location and there is a direct line of sight to an existing wireless pop at Pigeon Pass and Old Lake Road. A thirty-five foot pole will be installed to support the cameras and a point to point wireless radio link.





Scope of Work:

Pigeon Pass South of Lawless Drive

- Install New 35 foot pole
- Run power from City power source to new Pole
- Provide and install junction box on pole with single gang box
- Provide, Install and terminate existing power into the HVP600 enclosure using weather proof twist lock plug adapter and #14 Gauge so cord
- Install two fixed cameras on pole and wire for power and network access into the HVP600 enclosure
- Provide licensing for new cameras into City's Video Management System (VMS)

- Configure new cameras into system
- Configure all network equipment

Assumptions and Responsibilities:

- City of Moreno Valley to provide 120V continuous power near base of new pole utilized for equipment
- City of Moreno Valley to obtain necessary permitting and any mode of understanding (MOU) require for pole installation and electrical usage

CUSTOMER QUOTATION

HITACHI

Inspire the Next

To: **City of Moreno Valley**
Accounts Payable
 Annex Building #1
 14331 Frederick Street
 Moreno Valley, CA 92553
 United States

Bill To: **City of Moreno Valley**
Accounts Payable
 P.O. Box 88005
 Moreno Valley, CA 92552
 United States

Hitachi Data Systems
 500 Park Blvd Ste 300
 Itasca, IL 60143-3167
 United States
 Order Email:
 HDSOrders@hds.com

Thank you for this opportunity to supply you with an official quotation for Hitachi Data Systems storage solutions and services. If you have questions in respect of this quote, whether technical or price related, please do not hesitate to contact your Hitachi Data Systems Account Manager, Bob Paul, on telephone +9498922746.

Quote Reference

Quote Number: 10124999-1
Quote Name: Public Safety - Camera ADD
Quote Date: 12-05-2016
Quote Expiry Date: 01-31-2017
Master Agreement: Direct Purchasing Agreement No. CMV001

Quote Totals Overview *(All prices in this document are in USD)*

Products	Price
Hardware	65,185.45
1 x Hitachi Visualization Platform	
Hardware Installation	27,679.05
Software	3,750.71
Software Support	637.56
Professional Services	9,743.68
Total Price (exclusive of taxes)	106,996.45

Financing

HDS provides a range of flexible financial solutions that can be tailored to your needs. All facilities are subject to credit approval and contract. For further information and full terms and conditions, please contact your HDS Account Manager.

Order Information

Please include the Hitachi Data Systems Quote Number on your Purchase Order and send your Purchase Order to the Hitachi Data Systems postal or email address listed above. The governing terms and conditions of this Quote and any resulting transaction shall be as stated under Note 1 in the note section.

Attachment: HDSquote10124999-1PDintersections (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS AND

Customer Name: City of Moreno Valley
 Quote Number: 10124999-1
 Quote Name: Public Safety - Camera ADD

Quote Date: 11-02-2016
 Quote Expiry Date: 11-18-2016

Quote Summary

All Prices Quoted in USD

Ship To: **City of Moreno Valley**
Accounts Payable
 Annex Building #1
 14331 Frederick Street
 Moreno Valley, CA 92553
 United States

Install At: **City of Moreno Valley**
Accounts Payable
 Annex Building #1
 14331 Frederick Street
 Moreno Valley, CA 92553
 United States

Item 1: Hitachi Visualization Platform

Class	Product	Support per System	Qty	List Price	Discount from List	Extended Price
HW	Hitachi Visualization Hardware		1	0.00	0.00%	65,185.45
Sub-Total Item 1						65,185.45

Attachment: HDSquote10124999-1PDintersections (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS AND

Customer Name: City of Moreno Valley
 Quote Number: 10124999-1
 Quote Name: Public Safety - Camera ADD

Quote Date: 11-02-2016
 Quote Expiry Date: 11-18-2016

Quote Summary

All Prices Quoted in USD

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 United States

Install At: **City of Moreno Valley**
Accounts Payable
 Annex Building #1
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 Moreno Valley, CA 92553
 United States

Item 2: Hitachi Visualization Platform

Class	Product	Support per System	Qty	List Price	Discount from List	Extended Price
	Hitachi Visualization Installation		1			
	Hardware Installation			0.00	0.00%	27,679.05
PS	Professional Services	n/a	1	0.00	0.00%	9,743.68
	SVC Hitachi Visualization Implementation					
Sub-Total Item 2						37,422.73

Attachment: HDSquote10124999-1PDintersections (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS AND

Customer Name: City of Moreno Valley
 Quote Number: 10124999-1
 Quote Name: Public Safety - Camera ADD

Quote Date: 11-02-2016
 Quote Expiry Date: 11-18-2016

Quote Summary

All Prices Quoted in USD

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 United States

Install At: **City of Moreno Valley**
Accounts Payable
 Annex Building #1
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 Moreno Valley, CA 92553
 United States

Item 3: Hitachi Visualization Platform

Class	Product	Support per System	Qty	List Price	Discount from List	Extended Price
SW	Hitachi Visualization Software		1	0.00	0.00%	3,750.71
	Software Support <i>Support Renewal per month = 53.13</i>	Term: 12 Months Level: Remote Software Support		0.00	0.00%	637.56
Sub-Total Item 3						4,388.27

Attachment: HDSquote10124999-1PDintersections (2387) : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS AND

Customer Name: City of Moreno Valley
 Quote Number: 10124999-1
 Quote Name: Public Safety - Camera ADD

Quote Date: 11-02-2016
 Quote Expiry Date: 11-18-2016

Quote Summary

All Prices Quoted in USD

Notes

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- This quotation and any resulting transaction shall be subject to and governed by the terms and conditions of the Master Agreement "Direct Purchasing Agreement No. CMV001" between HDS and Customer. If HDS and Customer have entered into an Agreement and the number has been omitted, then the most current, active agreement between HDS and Customer shall govern this quote and any resulting transaction. If no agreement exists between HDS and Customer, then the terms of HDS' standard DPA located at <http://www.hds.com/corporate/legal/index.html> shall govern this quote and any resulting transaction.
- If the Software Support Term is greater than 12 months, then HDS will consider the first 12 months as the initial Support Term and any remaining months prepaid towards the renewal period. The Customer has the option to renew at the monthly "Support Renewal Amount" stated above for the same term as the initial Support Term. NOTWITHSTANDING A PROVISION IN A SALES OR PURCHASE AGREEMENT OR CUSTOMER'S PURCHASE ORDER STATING OTHERWISE, BY SIGNING THIS QUOTATION OR ISSUING A PURCHASE ORDER REFERENCING THIS QUOTATION, THE CUSTOMER AGREES THAT: the initial Support Term is non-cancellable and non-refundable. The Customer shall be entitled to terminate for convenience the software support by giving three months prior written notice effective no sooner than the end of the Initial Support Term. Where such prepaid software support is terminated in this manner, HDS will credit the Customer a sum equal to the agreed monthly renewal rate multiplied by the number of months cancelled from the effective date of termination. After the expiration of the Initial Support Term, if customer has not prepaid for Software support during the Renewal Support Term, customer has the option to renew such support at the Support Renewal Amount stated above for the same term as the Initial Support Term.
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- Please refer to the HDS Terms & Conditions (WMS Terms) at <http://www.hds.com/corporate/legal/> for third party products not directly maintained by HDS. Warranty, maintenance and support for the Third Party Products may be delivered by the vendor including all the applicable terms and conditions. HDS will provide you with the relevant contact details to obtain support directly from the vendor, as applicable.

Customer Name: City of Moreno Valley
 Quote Number: 10124999-1
 Quote Name: Public Safety - Camera ADD

Quote Date: 11-02-2016
 Quote Expiry Date: 11-18-2016

Bill of Materials

Item 1: Hitachi Visualization Platform

Hardware

Hitachi Visualization Hardware	Description	Product Status	Quantity
OTHER-HV-HW-MISC.P	Other various HV 3rd party hardware		1
HVP-600-PTZ	HVP Model 600 Series (includes Universal camera mount, Sony ER550, WiFi, GPS, Smart board)		7
DS-2CD4232FWD-IZH	Hikvision Bullet 3MP		14
PM	Hikvision Pole Mount		14
NBE-5ac-16	Ubiquiti NanoBeam Series 16dBi US Ver		20
GLC-LH-SM	1000Gb Single Mode SFP 1300-nm wavelength		1
TN-EX-SFP-1GE-LX	1000Gb mini-gbic 1310-nm wavelength		1
NB141207-10FS-UL	14x12x7 Inch UL Listed 120 VAC Weatherproof Enclosure w/ Solid State Fan Controller		3
TS-5_POE	Ubiquiti Managed POE 5 Port Switch		3
TC-CARRIER	Ubiquiti TOUGH Cable CAT 5e Couple shielded		1
TC-CON-100	Ubiquiti TOUGH Cable RJ45 Connectors 100 piece		1
HGX-PMT28	Enclosure Pole Mounting Kit		3
LPCG757	Strain Relief Cord Connectors Box of 10		2

Item 2: Hitachi Visualization Platform

Professional Services

Professional Services	Description	Product Status	Quantity
051-100319-01.P	SVC Hitachi Visualization Implementation		1

Item 3: Hitachi Visualization Platform

Software

Hitachi Visualization Software	Description	Product Status	Quantity
OTHER-HV-SW-MISC.P	Other various HV 3rd party software		1
OC-ENT-1C	Ocularis Enterprise Camera License		21

CUSTOMER QUOTATION

HITACHI

Inspire the Next

To: **City of Moreno Valley**
Accounts Payable
 Public Safety Building - Police Dept.
 22850 Calle San Juan De Los Lagos
 Moreno Valley, CA 92552
 United States

Bill To: **City of Moreno Valley**
Accounts Payable
 P.O. Box 88005
 Moreno Valley, CA 92552
 United States

Hitachi Data Systems
 500 Park Blvd Ste 300
 Itasca, IL 60143-3167
 United States
 Order Email:
 HDSOrders@hds.com

Thank you for this opportunity to supply you with an official quotation for Hitachi Data Systems storage solutions and services. If you have questions in respect of this quote, whether technical or price related, please do not hesitate to contact your Hitachi Data Systems Account Manager, Bob Paul, on telephone +9498922746.

Quote Reference

Quote Number: 10109977-8
Quote Name: Moreno Valley / G200 video expansion 6tbnl
Quote Date: 12-06-2016
Quote Expiry Date: 01-31-2017
Master Agreement: Direct Purchasing Agreement No. CMV001

Quote Totals Overview *(All prices in this document are in USD)*

Products	Price
Hardware	70,345.50
1 x VSP G Unified Platform	
Hardware Installation	500.00
Hardware Maintenance	7,286.40
Software	4,100.00
Software Support	738.00
Professional Services	5,163.12
Total Price (exclusive of taxes)	88,133.02

Financing

HDS provides a range of flexible financial solutions that can be tailored to your needs. All facilities are subject to credit approval and contract. For further information and full terms and conditions, please contact your HDS Account Manager.

Order Information

Please include the Hitachi Data Systems Quote Number on your Purchase Order and send your Purchase Order to the Hitachi Data Systems postal or email address listed above. The governing terms and conditions of this Quote and any resulting transaction shall be as stated under Note 1 in the note section.

Customer Name: City of Moreno Valley
 Quote Number: 10109977-8
 Quote Name: Moreno Valley / G200 video expansion 6tbnl

Quote Date: 12-06-2016
 Quote Expiry Date: 01-31-2017

Quote Summary

All Prices Quoted in USD

Ship To:	City of Moreno Valley Accounts Payable Public Safety Building - Police Dept. 22850 Calle San Juan De Los Lagos Moreno Valley, CA 92552 United States	Install At:	City of Moreno Valley Accounts Payable Public Safety Building - Police Dept. 22850 Calle San Juan De Los Lagos Moreno Valley, CA 92552 United States
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Item 2: VSP G Unified Platform

Upgrade SN: 123

Specification	Single Configuration Measures	Qty	New Total
Raid Groups:	1600GB DC2 FMD RAID 5 4D+1P Array Group 14.074TB Usable (Base10) 12.8TB Usable (Base2)	2	2
	6TB LFF HDD DB60 RAID 6 12D+2P Array Group 211.472TB Usable (Base10) 192.333TB Usable (Base2)	3	3
Spare Drives:	6TB(7.2K) DB60 Spare Drive (3.5")	2	2
	1.6TB DC2 Flash Module Spare Drive	1	1
Chassis:	Drive Chassis - FMD (Supports 12 x FMD)	1	1
	Drive Chassis - Dense (Supports 60 x LFF Drives)	1	2
Power Type:	Power Cable 250VAC 10A IEC320-C14	4	9
SW Licenses:	VSP G200 - Hitachi Data Mobility - Frame License	1	1

Class	Product	Support per System	Qty	List Price	Discount from List	Extended Price
HW	VSP G200 Upgrade Unified		1	140,691.00	50.00%	70,345.50
	Hardware Support <i>Support Renewal per month = 718.52</i>	Term: 36 Months Level: Standard		7,286.40	0.00%	7,286.40
	Hardware Installation			500.00	0.00%	500.00
SW	VSP G200 Software Sales		1	8,200.00	50.00%	4,100.00
	Software Support <i>Support Renewal per month = 61.50</i>	Term: 12 Months Level: Remote Software Support		1,476.00	50.00%	738.00

Sub-Total Item 2 **82,969.90**

Attachment: HDSquote10109977-8PDIintersectionsStorage (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS

Customer Name: City of Moreno Valley
 Quote Number: 10109977-8
 Quote Name: Moreno Valley / G200 video expansion 6tbnl

Quote Date: 12-06-2016
 Quote Expiry Date: 01-31-2017

Quote Summary

All Prices Quoted in USD

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 Moreno Valley, CA 92552
 United States

Item 3: Hitachi Visualization Platform

Class	Product	Support per System	Qty	List Price	Discount from List	Extended Price
PS	Professional Services SVC Hitachi Visualization Implementation	n/a	1	0.00	0.00%	5,163.12
Sub-Total Item 3						5,163.12

Attachment: HDSquote10109977-8PDIintersectionsStorage (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS

Customer Name: City of Moreno Valley
 Quote Number: 10109977-8
 Quote Name: Moreno Valley / G200 video expansion 6tbnl

Quote Date: 12-06-2016
 Quote Expiry Date: 01-31-2017

Quote Summary

All Prices Quoted in USD

Notes

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Customer Name: City of Moreno Valley
 Quote Number: 10109977-8
 Quote Name: Moreno Valley / G200 video expansion 6tbnl

Quote Date: 12-06-2016
 Quote Expiry Date: 01-31-2017

Bill of Materials

Item 2: VSP G Unified Platform

Hardware

VSP G200 Upgrade Unified	Description	Product Status	Quantity
HDW2-F800-DB60.P	VSP G200 Drive Box (Dense)		1
HDW2-F800-DBF.P	VSP G200 Drive Box (FMD)		1
3290517-001.P	Dummy drive for DB60		16
2854472-001.P	Dummy FMD		1
A3BF-HK-GL-740-1.P	Corner Guide Rail Kit		1
DW-F800-SCQ3.P	VSP G SAS Cable 3m		2
043-100210-01.P	Power Cable 250VAC 10A IEC320-C14		2
SX222021.P	Power Cable - 208/220V, 1m (3ft)		2
HDW2-F800-6R0HLM.P	VSP G200 6TB 7.2K rpm LFF Disk Drive for DB60		44
HDW2-F800-1R6FN.P	VSP G200 1.6TB DC2 Flash Module Drive		11

Software

VSP G200 Software Sales	Description	Product Status	Quantity
044-236021-03.P	VSP G200 - Hitachi Data Mobility - Frame License		1
044-236021-01.P	VSP G200 - Hitachi Data Mobility - Media Kit		1
044-232355-01.P	Hitachi Command Suite Media		1

Attachment: HDSquote10109977-8PDintersectionsStorage (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS

Customer Name: City of Moreno Valley
 Quote Number: 10109977-8
 Quote Name: Moreno Valley / G200 video expansion 6tbnl

Quote Date: 12-06-2016
 Quote Expiry Date: 01-31-2017

 Bill of Materials

Item 3: Hitachi Visualization Platform
Professional Services

Professional Services	Description	Product Status	Quantity
051-100319-01.P	SVC Hitachi Visualization Implementation		1

Attachment: HDSquote10109977-8PDintersectionsStorage (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS

COMPARITIVE QUOTES - CITYWIDE CAMERA SYSTEM EXPANSION City Hall, CRC, Animal Shelter

Camera	Manufacturer	Model	Qty.	HDS	Vology	Newegg	Nextwarehouse
				10124995-3	Q-693291- 1	online	617108819
				11/19/2016	11/1/2016	10/31/2016	10/31/2016
Axis M3026-ve	AXIS	M3026-ve	34	not itemized	\$ 547.99	\$ 567.23	\$ 560.13
Hikvision Bullet 3MP	Hikvision	DS-2CD4232FWD-IZH	17	not itemized	\$ 564.96	\$ 732.78	\$ 578.94
			subtotal	\$ 35,322.27	\$ 28,235.98	\$ 31,743.08	\$ 28,886.40

Ocularis Ultimate License		51	251.16	\$ 12,809.16	\$ 12,809.16	\$ 12,809.16	\$ 12,809.16
Maintenance		51	42.84	\$ 2,184.84	\$ 2,184.84	\$ 2,184.84	\$ 2,184.84
		subtotal		\$ 14,994.00	\$ 14,994.00	\$ 14,994.00	\$ 14,994.00

MVU Substation

Camera	Manufature	Model	Qty.	HDS	Vology	Newegg	Nextwarehouse
Axis M3026-ve	AXIS	M3026-ve	0	not itemized	\$ 547.99	\$ 567.23	\$ 560.13
Hikvision Bullet 3MP	Hikvision	DS-2CD4232FWD-IZH	4	not itemized	\$ 564.96	\$ 732.78	\$ 578.94
			subtotal	\$ 2,770.36	\$ 2,259.84	\$ 2,931.12	\$ 2,315.76

Ocularis Ultimate License		4	251.16	\$ 1,004.64	\$ 1,004.64	\$ 1,004.64	\$ 1,004.64
Maintenance		4	42.84	\$ 171.36	\$ 171.36	\$ 171.36	\$ 171.36
		subtotal		\$ 1,176.00	\$ 1,176.00	\$ 1,176.00	\$ 1,176.00

est. tax	\$ 4,341.01	\$ 3,733.27	\$ 4,067.54	\$ 3,789.77
TOTAL	\$ 58,603.64	\$ 50,399.09	\$ 54,911.74	\$ 51,161.93

Attachment: CitywideCameraQuoteSummary (2387 : AUTHORIZATION TO AWARD CONTRACTS TO HITACHI DATA SYSTEMS AND VOLOGY



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Chief Financial Officer

AGENDA DATE: January 3, 2017

TITLE: AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO HOT LINE CONSTRUCTION, INC. FOR THE KITCHING SUBSTATION CIRCUITS #2 THROUGH #8 IMPROVEMENTS IN THE SOUTH INDUSTRIAL AREA, PROJECT NOS. 805 0031, 805 0032, 805 0034, 805 0036, 805 0040, 805 0041, 805 0042

RECOMMENDED ACTION

Recommendations:

1. Award the construction contract to Hot Line Construction, Inc., 9020 Brentwood Boulevard, Brentwood, CA 94513, the lowest responsible bidder, for the Kitching Substation Circuit #2 through #8 Project.
2. Authorize the City Manager to execute a contract with Hot Line Construction, Inc.
3. Authorize the issuance of a Purchase Order to Hot Line Construction, Inc., for the amount of \$2,703,458 (\$2,457,689 bid amount plus 10% contingency) when the contract has been signed by all parties.
4. Authorize the Chief Financial Officer/City Treasurer to execute any subsequent related minor change orders to the contract with Hot Line Construction, Inc. up to, but not exceeding, the 10% contingency amount of \$245,769, subject to the approval of the City Attorney.

SUMMARY

This report recommends approval of a contract with Hot Line Construction, Inc. to construct Circuits #2 through #8 of the Kitching Substation project. This project involves installing and energizing a new 12kV electrical backbone system per Moreno Valley Utility (MVU) approved electrical plans. Circuits #2 and #3 call for the installation of

conduit and cable along with related electrical facilities along the south side of Edwin Road, the west side of Kitching Street, and the north side of Modular Way. In addition, a street light system will also be installed on the north side of Edwin Road and the west side of Kitching Street. Circuits #4 - #8 call for the installation of cable within existing conduit. There are two locations on these plans where additional work is required: two street lights and pull boxes will be removed and a new manhole will be constructed on the west side of Kitching Street, south of Modular Way and cable will be rerun through an existing manhole on the east side of Perris Boulevard just north of Red Maple Lane.

The project is funded with Moreno Valley Utility’s operating funds and has been approved in the 2016/2017 FY Capital Improvement Plan. The project estimated construction costs are under budget. It is anticipated that the Kitching Substation Project will be completed within budget.

This item was presented to the Finance Subcommittee on December 7, 2016 and the Utilities Commission on December 14, 2016.

DISCUSSION

As Moreno Valley Utility continues to grow and expand its service, several capital improvement projects have been identified in the FY 2016/2017 Capital Improvement Plan that is necessary to accommodate increasing demands for electricity. The rapid growth of large commercial projects in the south industrial area has created a need to expand capacity by funding and constructing the Kitching Substation project including its Circuits #2 through #8.

When completed, Circuits #2 through #8 improvements will improve system reliability as well as system automation. These circuits will facilitate the transfer of electrical load within the MVU distribution system.

An Addendum to the Mitigated Negative Declaration which was approved by City Council on March 15, 2016, addresses environmental issues related to the Kitching Substation circuits. The Addendum was prepared by HDR Engineering, Inc. who also prepared the Mitigated Negative Declaration for the Kitching Substation.

The Notice Inviting Bids was advertised for the Kitching Substation Circuits #2 through #8 project and formal bidding procedures have been followed in conformance with Public Contract Code. The Bid Schedule included an Alternate A which entails trenching across Perris Boulevard, rather than boring which is part of the base bid. The trenching alternative is less expensive and has been approved by the Public Works Department. At least one lane in each direction on Perris Boulevard near the Modular Way intersection will remain open at all times. Three bids including Alternate A were received as follows:

<u>Contractors</u>	<u>Verified Bid Amounts</u>
1. Hot Line Construction, Inc.....	\$2,457,689
2. Henkels & McCoy.....	\$2,593,492

3. Pacific Utility Installation.....\$2,827,436

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative will provide for the ultimate, timely construction of the Kitching Substation Project.*
2. Do not approve and authorize the recommended actions as presented in this staff report. *This alternative will result in delaying the timely construction of this project and the Kitching Substation project which will prevent Moreno Valley Utility from providing electrical service to future development in the South Industrial Area in a timely manner.*

FISCAL IMPACT

This project is included in the Fiscal Year 2016/2017 Capital Improvement Plan Budget. It will be financed by use of Moreno Valley Utility’s operating fund.

Proposed Appropriation for Fiscal Year 2016/2017:

Description	GL Account No.	Type (Rev/Exp)	FY 16/17 Budget	Proposed Adjustments	FY 16/17 Amended Budget
6011-MVU Restricted	GL – 6011-30-80-80005-720199 PN – 805 0031 30 80-6011-04	Exp	\$378,000	\$0	\$378,000
6011-MVU Restricted	GL – 6011-30-80-80005-720199 PN – 805 0032 30 80-6011-04	Exp	\$816,000	\$0	\$816,000
6011-MVU Restricted	GL – 6011-30-80-80005-720199 PN – 805 0034 30 80-6011-04	Exp	\$787,000	\$0	\$787,000
6011-MVU Restricted	GL – 6011-30-80-80005-720199 PN – 805 0036 30 80-6011-04	Exp	\$414,000	\$0	\$414,000
6011-MVU Restricted	GL – 6011-30-80-80005-720199 PN – 805 0040 30 80-6011-04	Exp	\$480,000	\$0	\$480,000
6011-MVU Restricted	GL – 6011-30-80-80005-720199 PN – 805 0041 30 80-6011-04	Exp	\$459,000	\$0	\$459,000
6011-MVU Restricted	GL – 6011-30-80-80005-720199 PN – 805 0042 30 80-6011-04	Exp	\$465,000	\$0	\$465,000

Fiscal Year 2016/2017 PROJECT BUDGET:

MVU Restricted Fund	GL Account No. 6011-30-80-80005-720199	
	Project No. 805 0031 30 80-6011-04	\$378,000
MVU Restricted Fund	GL Account No. 6011-30-80-80005-720199	
	Project No. 805 0032 30 80-6011-04	\$816,000
MVU Restricted Fund	GL Account No. 6011-30-80-80005-720199	
	Project No. 805 0034 30 80-6011-04	\$787,000
MVU Restricted Fund	GL Account No. 6011-30-80-80005-720199	
	Project No. 805 0036 30 80-6011-04	\$414,000

MVU Restricted Fund	
GL Account No. 6011-30-80-80005-720199	
Project No. 805 0040 30 80-6011-04	\$480,000
MVU Restricted Fund	
GL Account No. 6011-30-80-80005-720199	
Project No. 805 0041 30 80-6011-04	\$459,000
MVU Restricted Fund	
GL Account No. 6011-30-80-80005-720199	
Project No. 805 0042 30 80-6011-04	\$465,000
Total	\$3,799,000

ESTIMATED CONSTRUCTION RELATED COSTS:

Construction Costs (includes 10% contingency)	\$2,703,458
Survey	\$40,000
Geotechnical	\$40,000
Project Administration and Inspection	\$60,000
Total Estimated Construction Related Costs	\$2,843,458

ANTICIPATED PROJECT SCHEDULE:

Award Construction Contract	January 2017
Complete Construction	June 2017

NOTIFICATION

A Notice Inviting Bid was advertised in the Press Enterprise. The project was placed on PlanetBids for 24 days, from October 28, 2016 through November 21, 2016. A Pre-Bid Conference was held on November 10, 2016. In total, three Addendums were issued in response to questions and answers from prospective bidders.

PREPARATION OF STAFF REPORT

Prepared By:
Clement Jimenez
Senior Engineer, P.E.

Department Head Approval:
Marshall Eyerman
Chief Financial Officer/City Treasurer

Concurred By:
Jeannette Olko
Electric Utility Division Manager

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library

- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

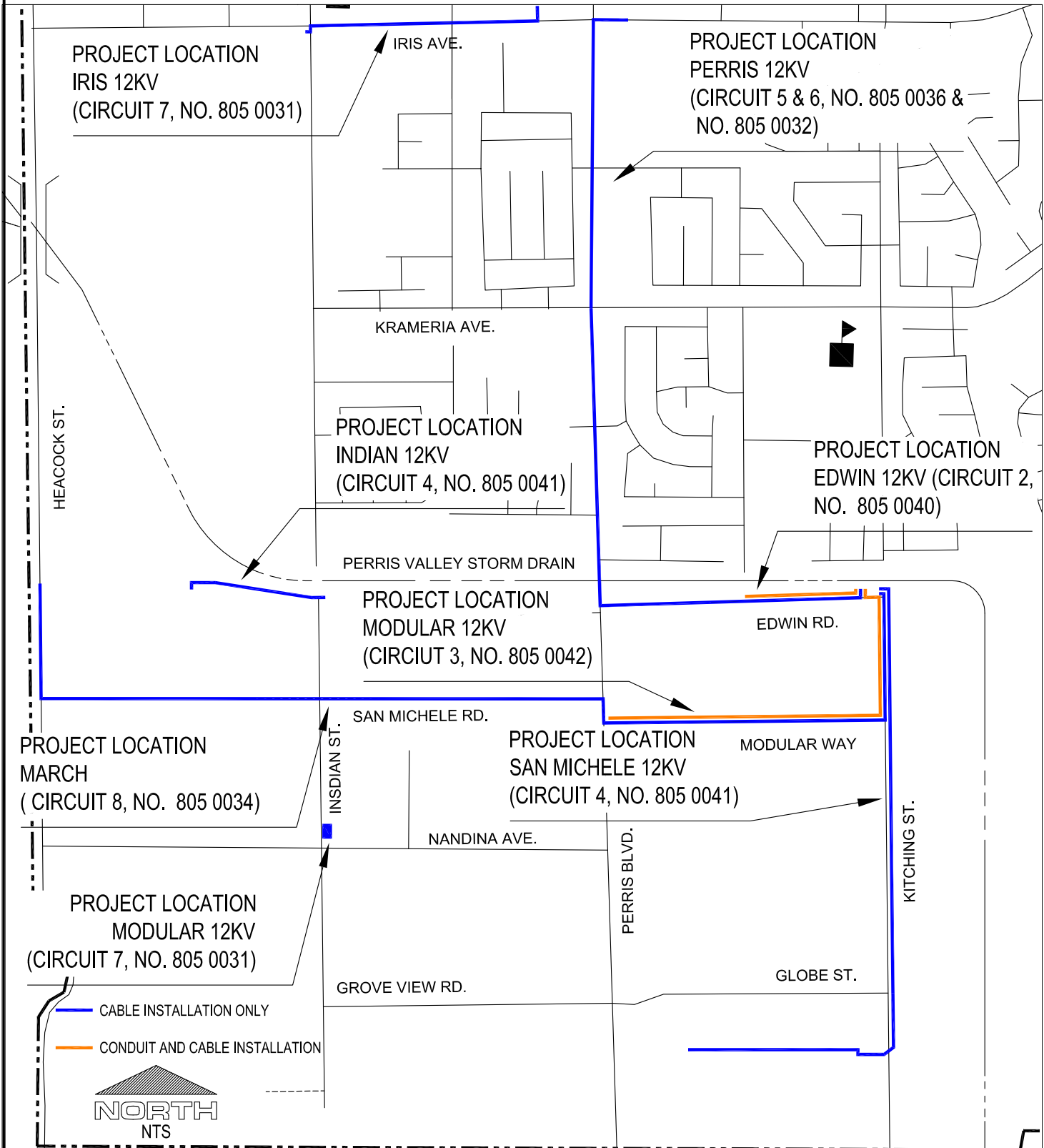
Objective 4.1: Develop a Moreno Valley Utility Strategic Plan to prepare for the 2020 expiration of the ENCO Utility Systems agreement.

ATTACHMENTS

- 1. Location Map
- 2. Agreement

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/18/16 3:46 PM
City Attorney Approval	<u>✓ Approved</u>	12/19/16 8:31 AM
City Manager Approval	<u>✓ Approved</u>	12/21/16 6:59 AM



LOCATION MAP

Financial & Management
Service Department

Electric Utility Division

KITCHING SUBSTATION CIRCUITS

PROJECT NO. 805 0031, PROJECT NO. 805 0032,
PROJECT NO. 805 0034, PROJECT NO. 805 0036,
PROJECT NO. 805 0040, PROJECT NO. 805 0041
AND PROJECT NO. 805 0042



AGREEMENT**PROJECT NOS. 805 0031, 805 0032, 805 0034, 805 0036, 805 0040, 805 0041, 805 0042****KITCHING SUBSTATION CIRCUITS #2 THROUGH #8**

THIS Agreement, effective as of the date signed by the City of Moreno Valley by and between the City of Moreno Valley, a municipal corporation, County of Riverside, State of California, hereinafter called the "City" and Hot Line Construction, Inc., hereinafter called the "Contractor."

That the City and the Contractor for the consideration hereinafter named, agree as follows:

1. CONTRACT DOCUMENTS. The Contract Documents consist of the following, which are incorporated herein by this reference:

- A. Governmental approvals, including, but not limited to, permits required for the Work
- B. Any and all Contract Change Orders issued after execution of this Agreement
- C. This Agreement
- D. Addenda Nos. 1 through 3 inclusive, issued prior to the opening of the Bids
- E. City Special Provisions, including the General Provisions and Technical Provisions
- F. Standard Specifications for Public Works Construction ("Greenbook") – latest edition in effect at the Bid Deadline, as modified by the City Special Provisions
- G. Reference Specifications/Reference Documents **other than those listed in paragraph 2, below**
- H. Project Plans
- I. City Standard Plans
- J. The bound Bidding Documents
- K. Contractor's Certificates of Insurance and Additional Insured Endorsements
- L. Contractor's Bidder's Proposal and Subcontractor Listing

In the event of conflict between any of the Contract Documents, the provisions placing a more stringent requirement on the Contractor shall prevail. The Contractor shall provide the better quality or greater quantity of Work and/or materials unless otherwise directed by City in writing. In the event none of the Contract Documents place a more stringent requirement or greater burden on the Contractor, the controlling provision shall be that which is found in the document with higher precedence in accordance with the above order of precedence.

2. REFERENCE DOCUMENTS. The following Reference Documents are not considered Contract Documents and **are made available** to the Contractor for informational purposes:

- A. SWPPP
- B. Mitigated Negative Declaration Addendum and Related Studies

3. SCOPE OF WORK. The Contractor shall perform and provide all materials, tools, equipment, labor, and services necessary to complete the Work described in the Contract Documents, except as otherwise provided in the Plans, Standard Specifications, or City Special Provisions to be the responsibility of others.

4. PAYMENT.

4.1. **Contract Price and Basis for Payment.** In consideration for the Contractor's full, complete, timely, and faithful performance of the Work required by the Contract Documents, the City shall pay Contractor for the actual quantity of Work required under the Bid Items awarded by the City performed in accordance with the lump sum prices and unit prices for Bid Items and Alternate Bid Items, if any, set forth the Bidder's Proposal submitted with the Bid. The sum of the unit prices and lump sum prices for the **Base Bid Items and Alternate A** awarded by the City is Two Million Four Hundred Fifty Seven Thousand Six Hundred Eighty Nine Dollars (\$2,457,689) ("Contract Price"). It is understood and agreed that the quantities set forth in the Bidder's Proposal for which unit prices are fixed are estimates only and that City will pay and Contractor will accept, as full payment for these items of work, the unit prices set forth in the Bidder's Proposal multiplied by the actual number of units performed, constructed, or completed as directed by the City Engineer.

4.2. **Payment Procedures.** Based upon applications for payment submitted by the Contractor to the City, the City shall make payments to the Contractor in accordance with Article 9 of the Standard Specifications, as modified by Article 9 of the City Special Provisions.

5. CONTRACT TIME.

A. Initial Notice to Proceed. After the Agreement has been fully executed by the Contractor and the City, the City shall issue the "Notice to Proceed to Fulfill Preconstruction Requirements **and Notice to Proceed with Order of Materials.**" The date specified in the Notice to Proceed to Fulfill Preconstruction Requirements **and Notice to Proceed with Order of Materials** constitutes the date of commencement of the Contract Time of **Eighty (80) Working Days**. The Contract Time includes the time necessary to fulfill preconstruction requirements, **place the order of materials**, and to complete construction of the Project (except as adjusted by subsequent Change Orders).

The Notice to Proceed to Fulfill Preconstruction Requirements **and Notice to Proceed with Order of Materials** shall further specify that Contractor must complete the preconstruction requirements **and order materials** within **Ten (10) Working Days** after the date of commencement of the Contract Time; this duration is part of the Contract Time.

Critical preconstruction requirements include, but are not limited to, the following:

- Submitting and obtaining approval of the Storm Water Pollution Prevention Plan (SWPPP)
- Submitting and obtaining approval of critical required submittals (Civil and Electrical)
- Installation of the approved Project Identification Signs
- Obtaining an approved no fee Encroachment Permit from the City of Moreno Valley
- Notifying all agencies, utilities, residents, etc., as outlined in the Bidding Documents
- Completion of all pre-construction activities under Environmental Mitigations.

If the City's issuance of a Notice to Proceed to Fulfill Preconstruction Requirements **and Notice to Proceed with Order of Materials** is delayed due to Contractor's failure to return the fully executed Agreement and insurance and bond documents within **ten (10) Working Days** after Contract award, then Contractor agrees to the deduction of one (1) Working Day from the number of days to complete the Project for every Working Day of delay in the City's receipt of said documents. This right is in addition to and does not affect the City's right to demand forfeiture of Contractor's Bid Security if Contractor persistently delays in providing the required documentation.

B. Notice to Proceed with Construction. After all preconstruction requirements are met **and materials have been ordered** in accordance with the Notice to Proceed to Fulfill Preconstruction Requirements **and Notice to Proceed with Order of Materials**, the City shall issue the "Notice to Proceed with Construction," at which time the Contractor shall diligently prosecute the Work, including corrective items of Work, day to day thereafter, within the remaining Contract Time.

6. LIQUIDATED DAMAGES AND CONTROL OF WORK.

6.1. **Liquidated Damages.** The Contractor and City (collectively, the "Parties") have agreed to liquidate damages with respect to Contractor's failure to fulfill the preconstruction requirements, and/or failure to complete the Work within the Contract Time. The Parties intend for the liquidated damages set forth herein to apply to this Contract as set forth in Government Code Section 53069.85. Contractor acknowledges and agrees that the liquidated damages are intended to compensate the City solely for Contractor's failure to meet the deadline for completion of the Work and will not excuse Contractor from liability from any other breach, including any failure of the Work to conform to the requirements of the Contract Documents.

In the event that Contractor fails to fulfill the preconstruction requirements and/or fails to complete the Work within the Contract Time, Contractor agrees to pay the City **\$1,500.00 per Calendar day** that completion of the Work is delayed beyond the Contract Time, as adjusted by Contract Change Orders. The Contractor will not be assessed liquidated damages for delays occasioned by the failure of the City or of the owner of a utility to provide for the removal or relocation of utility facilities.

The Contractor and City acknowledge and agree that the foregoing liquidated damages have been set based on an evaluation of damages that the City will incur in the event of late completion of the Work. The Contractor and City acknowledge and agree that the amount of such damages are impossible to ascertain as of the date of execution hereof and have agreed to such liquidated damages to fix the City's damages and to avoid later disputes. It is understood and agreed by Contractor that liquidated damages payable pursuant to this Agreement are not a penalty and that such amounts are not manifestly unreasonable under the circumstances existing as of the date of execution of this Agreement.

It is further mutually agreed that the City will have the right to deduct liquidated damages against progress payments or retainage and that the City will issue a Change Order or Construction Change Directive and reduce the Contract Price accordingly. In the event the remaining unpaid Contract Price is insufficient to cover the full amount of liquidated damages, Contractor shall pay the difference to the City.

6.2. **Any work completed by the Contractor after the issuance of a Stop Work Notice by the City shall be rejected and/or removed and replaced as specified in Section 2-11 of the Special Provisions.**

6.3. **Owner is Exempt from Liability for Early Completion Delay Damages.** While the Contractor may schedule completion of all of the Work, or portions thereof, earlier than the Contract Time, the Owner is exempt from liability for and the Contractor will not be entitled to an adjustment of the Contract Sum or to any additional costs, damages, including, but not limited to, claims for extended general conditions costs, home office overhead, jobsite overhead, and management or administrative costs, or compensation whatsoever, for use of float time or for Contractor's inability to complete the Work earlier than the Contract Time for any reason whatsoever, including but not

limited to, delay cause by Owner or other Excusable Compensable Delay. See Section 6-6 of the Standard Specifications and City Special Provisions regarding compensation for delays.

7. INSURANCE.

7.1. **General.** The Contractor shall procure and maintain at its sole expense and throughout the term of this Agreement, any extension thereof, Commercial General Liability, Automobile Liability, and Workers' Compensation Insurance with such coverage limits as described herein.

7.2. **Additional Insured Endorsements.** The Contractor shall cause the insurance required by the Contract Document to include the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives as an additional insureds. For the Commercial General Liability coverage, said parties shall be named as additional insureds utilizing either:

1. Insurance Services Office ("ISO") Additional Insured endorsement CG 20 10 (11/85); or
2. ISO Additional Insured endorsement CG 20 10 (10/01) and Additional Insured Completed Operations endorsement CG 20 37 (10/01); or
3. Substitute endorsements providing equivalent coverage, approved by the City.

The endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. The coverage shall contain no special limitations on the scope of protection afforded to such additional insureds. Coverage for such additional insureds does not extend to liability to the extent prohibited by Insurance Code Section 11580.4.

7.3. **Waivers of Subrogation.** All policies of insurance required by the Contract Documents shall include or be endorsed to provide a waiver by the insurers of any rights of recovery or subrogation that the insurers may have at any time against the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives.

7.4. **Primary Coverage.** All policies and endorsements shall stipulate that the Contractor's (and the Subcontractors') insurance coverage shall be primary insurance as respects the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives, and shall be excess of the Contractor's (and its Subcontractors') insurance and shall not contribute with it.

7.5. **Coverage Applies Separately to Each Insured and Additional Insured.** Coverage shall state that the Contractor's (and its Subcontractors') insurance shall apply separately to each insured or additional insured against whom claim is made or suit is brought, except with respect to

the limits of the insurer's liability. Coverage shall apply to any claim or suit brought by an additional insured against a named insured or other insured.

7.6. **Self-Insurance.** Any self-insurance (including deductibles or self-insured retention in excess of \$50,000) in lieu of liability insurance must be declared by Contractor and approved by the City in writing prior to execution of the Agreement. The City's approval of self-insurance, if any, is within the City's sole discretion and is subject to the following conditions:

1. Contractor must, at all times during the term of the Agreement and for a period of at least **one (1)** year after completion of the Project, and any extension of the one-year correction guarantee period in accordance with Section 6-8.1 of the City Special Provisions, maintain and upon Owner's reasonable request provide evidence of:
 - (a) Contractor's "net worth" (defined as "total assets" [defined as all items of value owned by the Contractor including tangible items such as cash, land, personal property and equipment and intangible items such as copyrights and business goodwill]) minus total outside liabilities must be reflected in a financial statement for the prior fiscal year reflecting sufficient income and budget for Contractor to afford at least one loss in an amount equal to the amount of self-insurance;
 - (b) financial statements showing that Contractor has funds set aside/budgeted to finance the self-insured fund (i.e., Contractor has a program that fulfills functions that a primary insurer would fill; and
 - (c) A claims procedure that identifies how a claim is supposed to be tendered to reach the financing provided by the self-insured fund.
2. If at any time after such self-insurance has been approved Contractor fails to meet the financial thresholds or otherwise fails to comply with the provisions set forth in this Paragraph 7, at the option of the City:
 - (a) the Contractor shall immediately obtain and thereafter maintain the third party insurance required under this Paragraph 7 and otherwise on the terms required above; or
 - (b) the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City, its officers, officials, employees and volunteers; or
 - (c) The Contractor shall procure a bond guaranteeing payment of losses and related investigation, claim administration, and defense expenses.

7.7. **Insurer Financial Rating.** Insurance companies providing insurance hereunder shall be rated A-VII or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct insurance business in the State of California.

7.8. **Notices to City of Cancellation or Changes.** Each insurance policy described in this Paragraph 7 shall contain a provision or be endorsed to state that coverage will not be cancelled

without **thirty (30) days'** prior written notice by certified or registered mail to the City (this obligation may be satisfied in the alternative by requiring such notice to be provided by Contractor's insurance broker and set forth on its Certificate of Insurance provided to the City), except that cancellation for non-payment of premium shall require (10) days prior written notice by certified or registered mail. If an insurance carrier cancels any policy or elects not to renew any policy required to be maintained by Contractor pursuant to the Contract Documents, Contractor agrees to give written notice to the City at the address indicated on the first page of the Agreement. Contractor agrees to provide the same notice of cancellation and non-renewal to the City that is required by such policy(ies) to be provided to the First Named Insured under such policy(ies). Contractor shall provide confirmation that the required policies have been renewed not less than seven (7) days prior to the expiration of existing coverages and shall deliver renewal or replacement policies, certificates and endorsements to the City Clerk within fourteen (14) days of the expiration of existing coverages. Contractor agrees that upon receipt of any notice of cancellation or alteration of the policies, Contractor shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. Contractor shall furnish to the City Clerk copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.

7.9. **Commercial General Liability.** Coverage shall be written on an ISO Commercial General Liability "occurrence" form CG 00 01 (10/01 or later edition) or equivalent form approved by the City for coverage on an occurrence basis. The insurance shall cover liability, including, but not limited to, that arising from premises operations, stop gap liability, independent contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The policy shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 (11/85). Coverage shall contain no contractors' limitation or other endorsement limiting the scope of coverage for liability arising from pollution, explosion, collapse, or underground (x, c, u) property damage. Contractor shall provide Products/Completed Operations coverage to be maintained continuously for a minimum of **one (1) year** after Final Acceptance of the Work, and any extension of the one-year correction guarantee period in accordance with Section 6-8.1 of the City Special Provisions.

Contractor shall maintain Commercial General Liability insurance with the following minimum limits: \$1,000,000 per occurrence / \$2,000,000 aggregate / \$2,000,000 products-completed operations.

7.10. **Business Automobile Liability.** Coverage shall be written on ISO form CA 00 01 (12/93 or later edition) or a substitute form providing equivalent coverage for owned, hired, leased and non-owned vehicles, whether scheduled or not, with \$1,000,000 combined single limit per accident for bodily injury and property damage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

7.11. **Workers' Compensation.** Contractor shall comply with the applicable sections of the California Labor Code concerning workers' compensation for injuries on the job. Compliance is accomplished in one of the following manners:

1. Provide copy of permissive self-insurance certificate approved by the State of California; or
2. Secure and maintain in force a policy of workers' compensation insurance with statutory limits and Employer's Liability Insurance with a minimal limit of **\$1,000,000** per accident; or
3. Provide a "waiver" form certifying that no employees subject to the Labor Code's Workers' Compensation provision will be used in performance of this Contract.

7.12. **Subcontractors' Insurance.** The Contractor shall include all Subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each Subcontractor. All coverages for Subcontractors shall be subject to all of the requirements stated herein.

8. **BONDS.** The Contractor shall furnish a satisfactory Performance Bond meeting all statutory requirements of the State of California on the form provided by the City. The bond shall be furnished as a guarantee of the faithful performance of the requirements of the Contract Documents as may be amended from time to time, including, but not limited to, liability for delays and damages (both direct and consequential) to the City and the City's Separate Contractors and consultants, warranties, guarantees, and indemnity obligations, in an amount that shall remain equal to one hundred percent (100%) of the Contract Price.

The Contractor shall furnish a satisfactory Labor and Materials Payment Bond meeting all statutory requirements of the State of California on the form provided by the City in an amount that shall remain equal to one hundred percent (100%) of the Contract Price to secure payment of all claims, demands, stop notices, or charges of the State of California, of material suppliers, mechanics, or laborers employed by the Contractor or by any Subcontractor, or any person, firm, or entity eligible to file a stop notice with respect to the Work.

All bonds shall be executed by a California-admitted surety insurer. Bonds issued by a California-admitted surety insurer listed on the latest version of the U.S Department of Treasury Circular 570 shall be deemed accepted unless specifically rejected by the City. Bonds issued by sureties not listed in Treasury Circular 570 must be accompanied by all documents enumerated in California Code of Civil Procedure Section 995.660(a). The bonds shall bear the same date as the Contract. The attorney-in-fact who executes the required bonds on behalf of the surety shall affix thereto a certified and current copy of the power of attorney. In the event of changes that increase the Contract Price, the amount of each bond shall be deemed to increase and at all times remain equal to the Contract Price. The signatures shall be acknowledged by a notary public. Every bond must display the surety's bond number and incorporate the Contract for construction of the Work by reference. The terms of the bonds shall provide that the surety agrees that no change, extension of time, alteration, or modification of the Contract Documents or the Work to be performed thereunder shall in any way affect its obligations and shall waive notice of any such change, extension of time, alteration, or modification of the Contract Documents. The surety further agrees that it is obligated under the bonds to any successor, grantee, or assignee of the City.

Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

Should any bond become insufficient, or should any of the sureties, in the opinion of the City, become non-responsible or unacceptable, the Contractor shall, within ten (10) Calendar Days after receiving notice from the City, provide written documentation to the Satisfaction of the City that Contractor has secured new or additional sureties for the bonds; otherwise the Contractor shall be in default of the Contract. No further payments shall be deemed due or will be made under Contract until a new surety(ies) qualifies and is accepted by the City.

Contractor agrees that the Labor and Materials Payment Bond and Faithful Performance Bond attached to this Agreement are for reference purposes only, and shall not be considered a part of this Agreement. Contractor further agrees that said bonds are separate obligations of the

Contractor and its surety, and that any attorney’s fee provision contained in any payment bond or performance bond shall not apply to this Agreement. In the event there is any litigation between the parties arising from the breach of this Agreement, each party will bear its own attorneys’ fees in the litigation.

9. RECORDS. The Contractor and its Subcontractors shall maintain and keep books, payrolls, invoices of materials, and Project records current, and shall record all transactions pertaining to the Contract in accordance with generally acceptable accounting principles. Said books and records shall be made available to the City of Moreno Valley, Riverside County, the State of California, the Federal Government, and to any authorized representative thereof for purposes of audit and inspection at all reasonable times and places. All such books, payrolls, invoices of materials, and records shall be retained for at least three (3) years after Final Acceptance.

10. INDEMNIFICATION.

10.1. **General.** To the fullest extent permitted by law, the Contractor assumes liability for and agrees, at the Contractor’s sole cost and expense, to promptly and fully indemnify, protect, hold harmless and defend (even if the allegations are false, fraudulent, or groundless), the City of Moreno Valley, its City Council, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and all of their respective officials, officers, directors, employees, commission members, representatives and agents (“Indemnitees”), from and against any and all claims, allegations, actions, suits, arbitrations, administrative proceedings, regulatory proceedings, or other legal proceeds, causes of action, demands, costs, judgments, liens, stop notices, penalties, liabilities, damages, losses, anticipated losses of revenues, and expenses (including, but not limited to, any fees of accountants, attorneys, experts or other professionals, or investigation expenses), or losses of any kind or nature whatsoever, whether actual, threatened or alleged, arising out of, resulting from, or in any way (either directly or indirectly), related to the Work, the Project or any breach of the Contract by Contractor or any of its officers, agents, employees, Subcontractors, Sub-subcontractors, or any person performing any of the Work, pursuant to a direct or indirect contract with the Contractor (“Indemnity Claims”). Such Indemnity Claims include, but are not limited to, claims for:

- A. Any activity on or use of the City’s premises or facilities;
- B. Any liability incurred due to Contractor acting outside the scope of its authority pursuant to the Contract, whether or not caused in part by an Indemnified Party;
- C. The failure of Contractor or the Work to comply with any Applicable Law, permit or orders;
- D. Any misrepresentation, misstatement or omission with respect to any statement made in the Contract Documents or any document furnished by the Contractor in connection therewith;
- E. Any breach of any duty, obligation or requirement under the Contract Documents, including, but not limited to any breach of Contractor’s warranties, representations or agreements set forth in the Contract Documents;
- F. Any failure to coordinate the Work with City’s Separate Contractors;
- G. Any failure to provide notice to any party as required under the Contract Documents;
- H. Any failure to act in such a manner as to protect the Project from loss, cost, expense or liability;

Attachment: Agreement (2384 : AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO HOT LINE CONSTRUCTION, INC. FOR THE

- I. Bodily or personal injury, emotional injury, sickness or disease, or death at any time to any persons including without limitation employees of Contractor;
- J. Damage or injury to real property or personal property, equipment and materials (including, but without limitation, property under the care and custody of the Contractor or the City) sustained by any person or persons (including, but not limited to, companies, corporations, utility company or property owner, Contractor and its employees or agents, and members of the general public);
- K. Any liability imposed by Applicable Law including, but not limited to criminal or civil fines or penalties;
- L. Any dangerous, hazardous, unsafe or defective condition of, in or on the Site, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the Site by Contractor, its officers, agents, employees, or Subcontractors;
- M. Any operation conducted upon or any use or occupation of the Site by Contractor, its officers, agents, employees, or Subcontractors under or pursuant to the provisions of the Contract or otherwise;
- N. Any acts, errors, omission or negligence of Contractor, its officers, agents, employees, or Subcontractors;
- O. Infringement of any patent rights, licenses, copyrights or intellectual property which may be brought against the Contractor or Owner arising out of Contractor's Work, for which the Contractor is responsible; and
- P. Any and all claims against the City seeking compensation for labor performed or materials used or furnished to be used in the Work or alleged to have been furnished on the Project, including all incidental or consequential damages resulting to the City from such claims.

10.2. **Effect of Indemnitees' Active Negligence.** Contractor's obligations to indemnify and hold the Indemnitees harmless exclude only such portion of any Indemnity Claim which is attributable to the active negligence or willful misconduct of the Indemnitee, provided such active negligence or willful misconduct is determined by agreement of the parties or by findings of a court of competent jurisdiction. In instances where an Indemnitee's active negligence accounts for only a percentage of the liability for the Indemnity Claim involved, the obligation of Contractor will be for that entire percentage of liability for the Indemnity Claim not attributable to the active negligence or willful misconduct of the Indemnitee(s). Such obligation shall not be construed to negate, abridge or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Paragraph 11. Subject to the limits set forth herein, the Contractor, at its own expense, shall satisfy any resulting judgment that may be rendered against any Indemnitee resulting from an Indemnity Claim. The Indemnitees shall be consulted with regard to any proposed settlement.

10.3. **Independent Defense Obligation.** The duty of the Contractor to indemnify and hold harmless the Indemnitees includes the separate and independent duty to defend the Indemnitees, which duty arises immediately upon receipt by Contractor of the tender of any Indemnity Claim from an Indemnitee. The Contractor's obligation to defend the Indemnitee(s) shall be at Contractor's sole expense, and not be excused because of the Contractor's inability to evaluate liability or because the Contractor evaluates liability and determines that the Contractor is not liable. This duty to defend shall apply whether or not an Indemnity Claim has merit or is meritless, or which involves claims or allegations that any or all of the Indemnitees were actively, passively, or concurrently negligent, or which otherwise asserts that the Indemnitees are responsible, in whole or in part, for any Indemnity Claim. The Contractor shall respond within thirty (30) Calendar Days to the tender of

Attachment: Agreement (2384 : AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO HOT LINE CONSTRUCTION, INC. FOR THE

any Indemnity Claim for defense and/or indemnity by an Indemnitee, unless the Indemnitee agrees in writing to an extension of this time. The defense provided to the Indemnitees by Contractor shall be by well qualified, adequately insured and experienced legal counsel acceptable to the City.

10.4. Intent of Parties Regarding Scope of Indemnity. It is the intent of the parties that the Contractor and its Subcontractors of all tiers shall provide the Indemnitees with the broadest defense and indemnity permitted by Applicable Law. In the event that any of the defense, indemnity or hold harmless provisions in the Contract Documents are found to be ambiguous, or in conflict with one another, it is the parties' intent that the broadest and most expansive interpretation in favor of providing defense and/or indemnity to the Indemnitees be given effect.

10.5. Waiver of Indemnity Rights Against Indemnitees. With respect to third party claims against the Contractor, to the fullest extent permitted by law, the Contractor waives any and all rights to any type of express or implied indemnity against the Indemnitees.

10.6. Subcontractor Requirements. In addition to the requirements set forth hereinabove, Contractor shall ensure, by written subcontract agreement, that each of Contractor's Subcontractors of every tier shall protect, defend, indemnify and hold harmless the Indemnitees with respect to Indemnity Claims arising out of, in connection with, or in any way related to each such Subcontractors' Work on the Project in the same manner in which Contractor is required to protect, defend, indemnify and hold the Indemnitees harmless. In the event Contractor fails to obtain such defense and indemnity obligations from others as required herein, Contractor agrees to be fully responsible to the Indemnitees according to the terms of this Paragraph 11.

10.7. No Limitation or Waiver of Rights. Contractor's obligations under this Paragraph 11 are in addition to any other rights or remedies which the Indemnitees may have under the law or under the Contract Documents. Contractor's indemnification and defense obligations set forth in this Paragraph 11 are separate and independent from the insurance provisions set forth in the Contract Documents, and do not limit, in any way, the applicability, scope, or obligations set forth in such insurance provisions. The purchase of insurance by the Contractor with respect to the obligations required herein shall in no event be construed as fulfillment or discharge of such obligations. In any and all claims against the Indemnitees by any employee of the Contractor, any Subcontractor, any supplier of the Contractor or Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the obligations under this Paragraph 11 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor or any supplier of either of them, under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. Failure of the City to monitor compliance with these requirements imposes no additional obligations on the City and will in no way act as a waiver of any rights hereunder.

10.8. Withholding to Secure Obligations. In the event an Indemnity Claim arises prior to final payment to Contractor, the City may, in its sole discretion, reserve, retain or apply any monies due Contractor for the purpose of resolving such Indemnity Claims; provided, however, the City may release such funds if the Contractor provides the City with reasonable assurances of protection of the Indemnitees' interests. The City shall, in its sole discretion, determine whether such assurances are reasonable.

10.9. Survival of Indemnity Obligations. Contractor's obligations under this Paragraph 11 are binding on Contractor's and its Subcontractors' successors, heirs and assigns and shall survive the completion of the Work or termination of the Contractor's performance of the Work.

11. SUCCESSORS AND ASSIGNS. The Parties bind themselves, their heirs, executors, administrators, successors and assigns the covenants, agreements and obligations contained in the Contract Documents. The Contractor shall not, either voluntarily or by action of law, assign any right or obligation of the Contractor under the Contract Documents without prior written consent of the City.

(SIGNATURE PAGE FOLLOWS)

Attachment: Agreement (2384 : AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO HOT LINE CONSTRUCTION, INC. FOR THE

CITY OF MORENO VALLEY, Municipal Corporation

Hot Line Construction, Inc.

BY: _____
City Manager

License No./
Classification: _____

DATE: _____

Expiration Date: _____

Federal I.D. No.: _____

<u>INTERNAL USE ONLY</u>	
ATTEST:	
_____ City Clerk <i>(only needed if Mayor signs)</i>	
APPROVED AS TO LEGAL FORM:	
_____ City Attorney	
_____ Date	
RECOMMENDED FOR APPROVAL:	
_____ Chief Financial Officer/City Treasurer <i>(if contract exceeds \$15,000)</i>	
_____ Date	

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

SIGNING INSTRUCTIONS TO THE CONTRACTOR:

Signature(s) must be accompanied by a completed notary certificate of acknowledgement attached hereto. A general partner must sign on behalf of a partnership. **Two (2)** corporate officers must sign on behalf of a corporation unless the corporation has a corporate resolution that allows one person to sign on behalf of the corporation; if applicable, said resolution must be attached hereto. The corporate seal may be affixed hereto.

Attachment: Agreement (2384 : AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO HOT LINE CONSTRUCTION, INC. FOR THE

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

SAMPLE

State of California

County of _____

On _____ before me, _____,
(Here insert name and title of the officer)

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledgement to me that he/she they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

DESCRIPTION OF THE ATTACHED DOCUMENT

AGREEMENT SIGNATURE PAGE
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

Attachment: Agreement (2384 : AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO HOT LINE CONSTRUCTION, INC. FOR THE



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Chief Financial Officer

AGENDA DATE: January 3, 2017

TITLE: AUTHORIZE THE AWARD OF THE DESIGN-BUILD CONTRACT TO OPTERRA ENERGY SERVICES, INC. FOR THE CITY HALL SOLAR CARPORT AND BATTERY ENERGY STORAGE UNIT PROJECT NO. 805 0039

RECOMMENDED ACTION

Recommendations:

1. Award the design-build contract to Opterra Energy Services, Inc., 1420 Iowa Avenue, Suite 210, Riverside, CA 92507 for the City Hall Solar Carport and Battery Energy Storage.
2. Authorize the City Manager to execute a contract with Opterra Energy Services, Inc.
3. Authorize the issuance of a Purchase Order to Opterra Energy Services, Inc. in the amount of \$2,817,506 (\$2,561,369 bid amount plus \$256,137 contingency) when the contract has been signed by all parties.
4. Authorize the Chief Financial Officer/City Treasurer to execute any subsequent related minor change orders to the contract with Opterra Energy Services, Inc., up to, but not exceeding, the 10% contingency amount of \$256,137, subject to the approval of the City Attorney.

SUMMARY

This report recommends approval of a contract with Opterra Energy Services, Inc. to design and construct the City Hall Solar Carport and Battery Energy Storage Unit Project. The solar installation will be directly connected to MVU's electrical grid. The project also includes a battery energy storage system over the area of the parking lot designated for electric vehicle charging stations. An informational kiosk or television is

proposed in the City Hall lobby to show real time solar production and greenhouse gas (GHG) reduction statistics. The project has been approved in the FY 2016/2017 Capital Improvement Plan.

This item was presented to the Finance Subcommittee on December 7, 2016, and approved by the Utilities Commission December 14, 2016.

DISCUSSION

Renewable Energy Goals

All publicly owned utilities must adopt a Renewables Portfolio Standard (RPS) program with mandated goals for purchasing energy generated through eligible renewable sources. Common renewable resources include biomass, water (small hydro), geothermal, wind, and solar energy. The City Hall Solar Carport and Battery Energy Storage Unit Project will count towards MVU's renewable energy requirement and also help facilitate compliance with General Plan Policies 2.13.4 and 7.5.5 by providing a green source of energy.

Proposed Improvements

The solar carport area of approximately 38,000 square feet covers most of the City Hall parking lots, as highlighted in the attached location map. In general, the perimeter parking spaces will not be covered in order to preserve existing landscaping. The aggregate solar carport area will have the capacity to generate approximately 1,000,000 kWh per year, enough energy to serve about 142 homes.

The solar installation over the area of the parking lot designated for electric vehicle charging stations will be connected to a battery storage unit. The battery energy storage unit shall be sized to supply energy to one Direct Current Electric Vehicle Fast Charger and two Level 2 Electric Vehicle Fast Chargers at full load during two consecutive hours. The installation of electric vehicle charging equipment is a separate project and not a part of this project. However, this project will need to integrate the battery energy storage unit to the electric vehicle charging station facilities.

The project includes provisions to accommodate the installation of security cameras and replacement of parking lot lighting with new LED lights installed in the solar carport ceilings in accordance with the requirements of the project's conditions of approval. An information kiosk or television in the City Hall lobby will provide real time energy saving statistics. Existing landscaping affected by the installation of the solar carports and any new landscaping including hardscape improvements shall be in accordance with the project's conditions of approval and as approved by City staff during the design review process.

Environmental Approval

City Planning Staff performed the environmental analysis and determined the project is categorically exempt from environmental review pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15303 (New construction or conversion of small structures), which addresses minor construction of small appurtenant structures, such

as carports. The project is comprised of carport structures with solar panels that are proposed on an existing parking lot. No square footage will be added to the existing City Hall building that would potentially generate additional vehicle trips or other impacts, and no parking stalls will be eliminated that would create off-street parking impacts. Therefore, staff determined that there was no substantial evidence that the project will have a significant effect on the environment.

Selection Process

In accordance with the state’s requirements for design-build projects, which require a two-phase selection process, a Request for Qualifications (RFQ) was advertised and open to everyone wishing to be considered for this project. Six firms provided RFQs and all six firms were deemed qualified and had the financial wherewithal to design and construct this project. All six firms were invited to participate in the next phase, and asked to submit a Proposal in response to the City’s Request for Proposal (RFP). Opterra Energy Services, Inc. was selected as the best firm based on ten selection criteria provided in the RFP. Cost was only one of the ten selection criteria which was all equally weighted.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative will provide for the ultimate, timely design and construction of the City Hall Solar Carport and Battery Energy Storage Unit Project.*

2. Do not approve and authorize the recommended actions as presented in this staff report. *This alternative will result in delaying the timely design and construction of this project which will prevent Moreno Valley Utility from further advancing renewable energy requirements.*

FISCAL IMPACT

This project is included in the Fiscal Year 2016/2017 Capital Improvement Plan Budget. It will be financed using Public Purpose Program funds. Public Purpose Program funds can only be utilized under a strict umbrella of programs, determined at the State level of government. These programs include low-income programs, energy efficiency programs, renewable energy projects, and research and development projects. The City Hall Solar Carport and Battery Energy Storage Unit Project is an allowed expenditure.

A Budget Appropriation in the amount of \$1,877,506 is required to cover additional scope of work since approval of the CIP Budget and also to cover greater than anticipated construction costs as well as project administration and inspection related costs.

Proposed Appropriation for Fiscal Year 2016/2017:

Description	GL Account No.	Type (Rev/Exp)	FY 16/17 Budget	Proposed Adjustments	FY 16/17 Amended Budget
6011-MVU	GL – 6011-30-80-80005-720199	Exp	\$1,000,000	\$1,877,506	\$2,877,506

Restricted	PN – 805 0039 30 80-6011-04				
6012-Public Purpose	GL – 6012-99-99-90012-926011	Exp		\$1,877,506	
6011-MVU Restricted	GL – 6011-99-99-96011-826012	Rev		\$1,877,506	

Fiscal Year 2016/2017 PROJECT BUDGET:

MVU Restricted Fund (Capital Project Fund)
 GL Account No. 6011-30-80-80005-720199
 Project No. 805 0039 30 80-6011-04 \$1,000,000
 MVU Public Purpose Fund Budget Appropriation to
 GL Account No. 6011-30-80-80005-720199
 Project No. 805 0039 30 80-6011-04 \$1,877,506
 Total **\$2,877,506**

ESTIMATED DESIGN AND CONSTRUCTION RELATED COSTS:

Design and Construction Costs (includes 10% contingency) . \$2,817,506
 Project Administration and Inspection \$60,000
 Total Estimated Design and Construction Related Costs **\$2,877,506**

ANTICIPATED PROJECT SCHEDULE:

Award Design-Build Contract December 2016
 Complete Construction June 2017

NOTIFICATION

The Request for Qualification was advertised in the Press Enterprise and placed on PlanetBids. A Pre-Bid Conference and Job Walk was held on October 12, 2016. Qualifying firms were invited to participate in the second stage. Request for Proposal limited to those qualifying firms was placed on PlanetBids. Notices and response to questions were placed on PlanetBids.

PREPARATION OF STAFF REPORT

Prepared By:
 Clement Jimenez
 Senior Engineer, P.E.

Department Head Approval:
 Marshall Eyerman
 Chief Financial Officer/City Treasurer

Concurred By:
 Jeannette Olko
 Electric Utility Manager

Concurred By:
 Rix Skonberg
 Purchasing/Facilities Manager

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development

- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

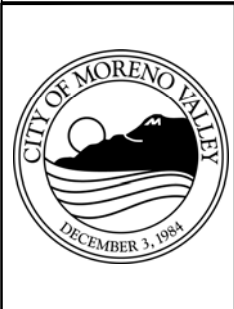
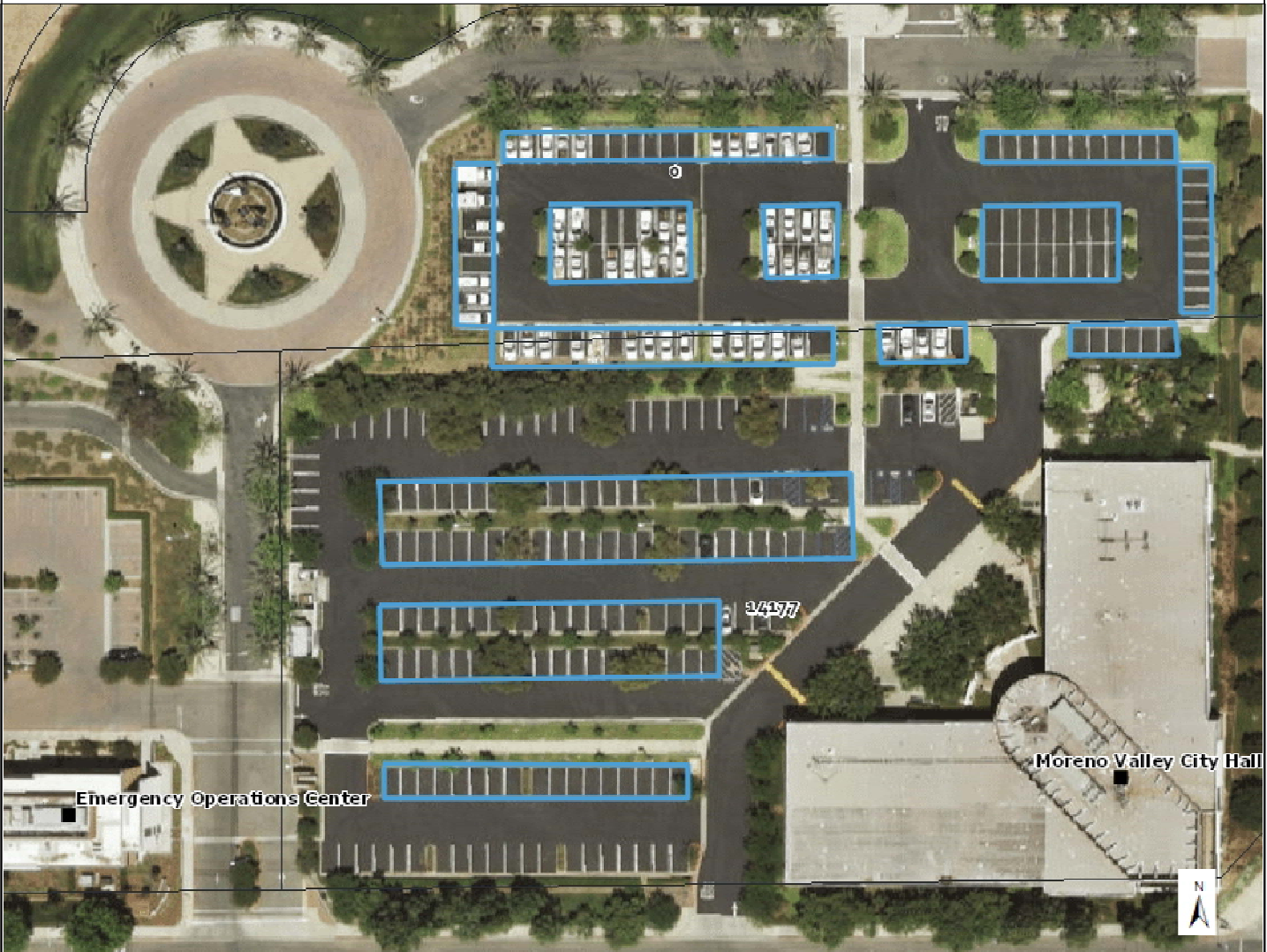
Objective 4.1: Develop a Moreno Valley Utility Strategic Plan to prepare for the 2020 expiration of the ENCO Utility Systems agreement.

ATTACHMENTS

- 1. Location Map
- 2. Design-Build Agreement

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/19/16 6:11 PM
City Attorney Approval	<u>✓ Approved</u>	12/20/16 8:37 AM
City Manager Approval	<u>✓ Approved</u>	12/21/16 6:59 AM



Financial & Management
 Services Department
 Electric Utility Division

ATTACHMENT 1

LOCATION MAP

CITY HALL SOLAR CARPORTS

PROJECT No. 805 0039

Attachment: Location Map (2363 : AUTHORIZE THE AWARD OF THE DESIGN-BUILD CONTRACT TO OPTERRA ENERGY SERVICES, INC. FOR

**DESIGN-BUILD AGREEMENT
FOR THE CITY HALL SOLAR CARPORT AND BATTERY ENERGY STORAGE UNIT
PROJECT**

This Design-Build Agreement (“Agreement”) is made and entered into this _____ day of _____, 2016, by and between the **CITY OF MORENO VALLEY** (the “City”), a California municipality, and **OPTERRA ENERGY SERVICES, INC.** (the “Design-Build Entity”), for the purpose of designing and constructing the **CITY HALL SOLAR CARPORT AND BATTERY ENERGY STORAGE UNIT PROJECT** (the “Project”). The City and the Design-Build Entity are herein collectively referred to as the “Parties”.

RECITALS

- A. City issued a Request for Proposals (“RFP”) seeking proposals from qualified firms to design, fabricate, deliver and install an approximately 490 KiloWatt (“KW”) solar photovoltaic parking canopy system and battery energy storage unit, along with related appurtenances, including, but not limited to, inverters, conduit, cable, ceiling lights, security cameras, City Hall lobby information kiosk, parking lot light and foundation removal, and related trenching, asphalt pavement, concrete, and landscape removal and restoration (“Project”). The project site is within the City of Moreno Valley City Hall parking lot located at 14177 Frederick Street, Moreno Valley, California 92552.
- B. The Project requirements and deadlines are set forth in the RFP. The RFP and the Design-Build Entity’s Proposal are attached hereto as **Attachment 1** and **Attachment 2**, respectively, and incorporated herein by this reference.
- C. The Design-Build Entity submitted a Proposal for the Project, which was selected as providing the best-value for the Project in accordance with the RFP’s proposal selection criteria, and is prepared to enter into this Agreement.

In consideration of the above recitals and the mutual covenants and conditions set forth herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby set forth their mutual covenants and understandings as follows:

AGREEMENT

1. TERMS.

- 1.1 **Incorporation of Documents.** This Agreement includes and hereby incorporates in full by reference the following Agreement Documents, including all exhibits, drawings, specifications and documents therein, and attachments and addenda thereto (with the first listed documents having the highest priority):

- a. All City approved Change Orders issued after execution of this Agreement
- b. This Agreement and all mutually agreed upon addenda
- c. Request for Proposal (RFP) and Addenda Nos. 1-2 inclusive, issued prior to the RFP deadline (**Attachment 1**)
- d. Proposer's Proposal (**Attachment 2**)
- e. Standard Specifications for Public Works Construction ("Greenbook") – latest edition in effect at the RFP deadline
- f. City Standard Plans
- g. Reference Specifications/Reference Documents other than those listed below
- h. Certificates of Insurance and Additional Insured Endorsements (**Attachment 3**)
- i. Faithful Performance Bond (**Attachment 4**)
- j. Labor and Material Bond (**Attachment 5**)

In the event of conflict between any of the Agreement Documents, the provisions placing a more stringent requirement on the Design-Build Entity shall prevail. The Design-Build Entity shall provide the better quality or greater quantity of work and/or materials unless otherwise directed by the City in writing. In the event none of the Agreement Documents place a more stringent requirement or greater burden on the Design-Build Entity, the controlling provision shall be that which is found in the document with higher precedence in accordance with the above order of precedence.

- 1.1.1 **Acknowledgement of Agreement Documents.** The above documents constitute and may hereinafter be referred to as the "Agreement Documents". In addition to signing this Agreement, the Design-Build Entity shall review and execute where appropriate all the Attachments to this Agreement described above. Also, the Design-Build Entity acknowledges that he or she has read, understood and agrees with all of the terms of the Agreement Documents, including, but not limited to, provisions of the General Conditions relating to indemnification, insurance, standards of performance, termination, compensation and time of the essence performance. The Design-Build Entity shall not disclaim knowledge of the meaning and effect of any term or provision of the Agreement Documents, and agrees to strictly abide by their meaning and intent.
- 1.1.2 **The Design-Build Entity's Basic Obligation.** The Design-Build Entity promises and agrees, at its own cost and expense, to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately complete the Project as described in the

Agreement Documents (hereinafter the “Scope of Work”), for a Guaranteed Maximum Price (“GMP”) of Two Million Five Hundred Sixty One Thousand Three Hundred Sixty Nine DOLLARS (\$2,561,369) as stated in the Bid Schedule submitted by the Design-Build Entity and as attached to the RFP. Unless otherwise stated in the Agreement Documents, the GMP shall pay for all costs and expenses required to design and construct the Project.

- 1.1.3 Contract Time.** The contract time shall not exceed **120 working days.**
- 1.2 Scope of Work.** The Design-Build Entity shall perform and provide all materials, tools, equipment, labor, and services necessary to complete the Work described in the Agreement Documents.
- 1.3 Standard of Performance.** The Design-Build Entity’s performance shall be consistent with the standards set forth in the Agreement Documents.
- 1.4 Period of Performance, Liquidated Damages, and Performance Incentive.** The Design-Build Entity guarantees that it shall perform and complete all work necessary for Final Completion of the Project by the Guaranteed Completion Date of **June 30, 2017** (“GCD”).
1. The Design-Build Entity agrees that liquidated damages will apply in the amount of **\$1,400** for each and every calendar day beyond the GCD that Final Completion of the Project has not been achieved, as adjusted by approved Change Orders. The Design-Build Entity will not be assessed liquidated damages for delays occasioned by the failure of the City or of the owner of a utility to provide for the removal or relocation of utility facilities. The Design-Build Entity acknowledges and agrees that the liquidated damages are intended to compensate the City solely for Design-Build Entity’s failure to meet the deadline for completion of the Work and will not excuse the Design-Build Entity from liability from any other breach, including any failure of the Work to conform to the requirements of the Agreement Documents.
 2. The Design-Build Entity and City acknowledge and agree that the foregoing liquidated damages have been set based on an evaluation of damages that the City will incur in the event of late completion of the Work. The Design-Build Entity and City acknowledge and agree that

the amount of such damages are impossible to ascertain as of the date of execution hereof and have agreed to such liquidated damages to fix the City's damages and to avoid later disputes. It is understood and agreed by the Design-Build Entity that liquidated damages payable pursuant to this Agreement are not a penalty and that such amounts are not manifestly unreasonable under the circumstances existing as of the date of execution of this Agreement.

3. It is further mutually agreed that the City will have the right to deduct liquidated damages against progress payments or retainage and that the City will issue a Change Order or Construction Change Directive and reduce the Contract price accordingly. In the event the remaining unpaid GMP is insufficient to cover the full amount of liquidated damages, Design-Build Entity shall pay the difference to the City.
4. While the Design-Build Entity may schedule completion of all of the Work, or portions thereof, earlier than the Contract Time, the City is exempt from liability for and the Design-Build Entity will not be entitled to an adjustment of the GMP or to any additional costs, damages, including, but not limited to, claims for extended general conditions costs, home office overhead, jobsite overhead, and management or administrative costs, or compensation whatsoever, for use of float time or for Design-Build Entity's inability to complete the Work earlier than the Contract Time for any reason whatsoever, including but not limited to, delay cause by City or other Excusable Compensable Delay.

1.5 The City's Basic Obligation. The City agrees to engage and do hereby engage the Design-Build Entity as an independent contractor to furnish all materials and to perform all work described in the Scope of Work for the Project according to the terms and conditions herein contained for the GMP set forth above. Except as otherwise provided in the Agreement, the City shall pay to the Design-Build Entity, as full consideration for the satisfactory performance by the Design-Build Entity of the services and obligations required by this Agreement, the above referenced compensation in accordance with compensation provisions set forth in the Agreement.

1.6 City's Representative. The City hereby designates **Clement Jimenez**, as the person to act as its representative for the performance of this Agreement ("City's Representative"). The

City's Representative shall be authorized to act as liaison between City and the Design-Build Entity in the administration of this Agreement and all work on the Project. The City's Representative shall have the power to act on behalf of the City for all purposes under this Agreement. City may designate new and/or different individuals to act as the City's Representative from time to time upon written notice to the Design-Build Entity.

- 1.7 **Design-Build Entity's Representative.** The Design-Build Entity hereby designates **Crista Curtis**, or his or her designee, to act as its representative for the performance of this Agreement ("Design-Build Entity's Representative"). Design-Build Entity's Representative shall have full authority to represent and act on behalf of the Design-Build Entity for all purposes under this Agreement. The Design-Build Entity's Representative shall supervise and direct all work on the Project, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the work pursuant to this Agreement.
- 1.8 **Design-Build Entity's Licensing.** The Design-Build Entity shall have only appropriately licensed contractors performing work on the Project as required by the Business and Professions Code. The Design-Build Entity hereby designates **Opterra Energy Services, Inc. (License No. 995037)** to act as the licensed general contractor for the Project. Design-Build Entity's general contractor shall perform all services required under the Agreement Documents in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals qualified to perform such services in the same discipline in the State of California, and the Design-Build Entity shall be fully responsible to the City for any damages and/or delays to the Project as specified in the indemnification provisions of the Agreement. Any change in the general contractor shall be subject to the City's prior written approval, which approval shall not be unreasonably withheld. The new general contractor shall be of at least equal competence as the prior general contractor. In the event that City and Design-Build Entity cannot agree as to the substitution of a new general contractor, the City shall be entitled to terminate this Agreement. The Design-Build Entity shall be licensed in the following appropriate classification(s) of the contractor's license(s), for the Project and must maintain the license(s) throughout the duration of the Project: Class B. By its signature hereunder, the Design-Build Entity certifies that it is authorized to do business in the State of California and attests that it is in good tax standing with the California Franchise Tax Board. The Design-Build Entity shall

obtain and maintain the required licenses, permits and all other appropriate legal authorizations for all applicable federal, state and local jurisdictions and pay all applicable fees associated therewith. The Design-Build Entity shall immediately notify the City in writing of any change in its licensing status during the term of its agreement with the City.

- 1.9 Ineligible Contractors.** Pursuant to Public Contract Code Section 6109, no contractor who is ineligible to perform work on the public works project pursuant to Section 1777.1 or 1777.7 of the Labor Code, may work on this Project.
- 1.10 Prevailing Wages/Labor Code.** This Project is subject to the prevailing wage requirements of California Labor Code Section 1720 et seq. The Director of Industrial Relations has determined the general prevailing rate of per diem wages in the locality in which this work is to be performed, copies of which are available to any interested party online at <http://www.dir.ca.gov/dlsr>. The Design-Build Entity shall post these rates at the job site. The Design-Build Entity shall comply with all applicable Labor Code provisions, including but not limited to, employment of apprentices, hours of labor and debarment of contractors. The Design-Build Entity shall indemnify, defend and hold harmless the City against any and all claims, demands, damages, defense costs or liabilities based on failure to adhere to the above referenced statutes.
- 1.11 Performance and Payment Bonds.** The Design-Build Entity will be required to furnish the City with a Faithful Performance Bond and a Labor & Material Bond equal to 100% of the Design-Build Agreement price, prior to execution of the Design-Build Agreement. All bonds are to be secured from a surety that meets all of the State of California bonding requirements, as defined in Code of Civil Procedure Section 995.120. The GMP includes the cost of obtaining such bonds.
- 1.12 Discrimination Prohibited.** In the performance of the Design-Build Agreement, the Design-Build Entity shall not discriminate in recruiting, hiring, promotion, demotion or termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, or physical or mental disability, medical condition, marital status, sexual orientation, ethnicity, status as a disabled veteran or veteran of the Vietnam era and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900 et seq.), the Federal Civil Rights Act of 1964 (42 U.S.C. 2000e-1 et seq.) and all amendments thereto, Executive Order No. 11246

(30 Federal Register 12319), and all administrative rules and regulations issued pursuant to said Acts and Order.

- 1.13 Immigration Reform Act Requirements.** The Design-Build Entity shall warrant that it fully complies with all laws regarding the employment of aliens and others, and that its employees performing services hereunder meet the citizenship or alien status requirements contained in federal and state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L 99-603). The Design-Build Entity shall obtain from all covered employees performing services hereunder all verification and other documentation of employees' eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended. The Design-Build Entity shall have a continuing obligation to verify and document the continuing employment authorization and authorized alien status of employees performing services under this Agreement to ensure continued compliance with all federal statutes and regulations. Notwithstanding the above, the Design-Build Entity, in the performance of the Design-Build Agreement shall not discriminate against any person in violation of 8 USC Section 1324b. The Design-Build Entity shall retain such documentation for all covered employees for the period described by law. The Design-Build Entity shall indemnify, defend and hold harmless the City and their officers and employees from employer sanctions and other liability which may be assessed against the Design-Build Entity and the City in connection with any alleged violations of federal statutes or regulations pertaining to the eligibility for employment of persons performing services under the Design-Build Agreement.
- 1.14 Design-Build Entity's Architect of Record.** The Design-Build Entity shall name a specific person to act as the Architect of Record subject to the approval of the City. The Design-Build Entity hereby designates **[INSERT NAME OF ARCHITECT] (License No. _____)** to act as the Architect of Record for the Project. Design-Build Entity's Architect of Record shall perform all services required under the Agreement Documents in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals qualified to perform such services in the same discipline in the State of California, and the Design-Build Entity shall be fully responsible to the City for any damages and/or delays to the Project as specified in the indemnification provisions of the Agreement. Any change in the Architect of Record shall be subject to the City's prior written approval, which approval shall not be unreasonably withheld. The new Architect of Record shall be of at least equal competence as

the prior Architect of Record. In the event that City and Design-Build Entity cannot agree as to the substitution of a new Architect of Record, the City shall be entitled to terminate this Agreement.

1.15 Insurance.

1.15.1 General. The Design-Build Entity shall procure and maintain at its sole expense and throughout the term of this Agreement, any extension thereof, Commercial General Liability, Automobile Liability, and Worker's Compensation Insurance with such coverage limits as described herein.

1.15.2 Additional Insured Endorsements. The Design-Build Entity shall cause the insurance required by the Agreement Document to include the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives as additional insureds. For the Commercial General Liability coverage, said parties shall be named as additional insureds utilizing either;

1. Insurance Services Office ("ISO") Additional Insured endorsement CG 20 10 (11/85); or
2. ISO Additional Insured endorsement CG 20 10 (10/1) and Additional Insured Completed Operations Endorsement CG 20 37 (10/1); or
3. Substitute endorsements providing equivalent coverage, approved by the City.

The endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. The coverage shall contain no special limitations on the scope of protection afforded to such additional insureds. Coverage for such additional insureds does not extend to liability to the extent prohibited by Insurance Code Section 11580.4.

1.15.3 Waivers of Subrogation. All policies of insurance required by the Agreement Documents shall include or be endorsed to provide a waiver by the insurers of any rights of recovery or subrogation that the insurers may have at any time against the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD) and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives.

1.15.4 Primary Coverage. All policies and endorsements shall stipulate that the Design-Build Entity's (and the Subcontractors') insurance coverage shall be primary insurance as respects the

City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives, and shall be excess of the Design-Build Entity's (and its Subcontractors') insurance and shall not contribute with it.

1.15.5 Coverage Applies Separately to Each Insured and Additional Insured. Coverage shall state that the Design-Build Entity's (and its Subcontractors') insurance shall apply separately to each insured or additional insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage shall apply to any claim or suit brought by an additional insured against a named insured or other insured.

1.15.6 Self-Insurance. Any self-insurance (including deductibles or self-insured retention in excess of \$50,000) in lieu of liability insurance must be declared by Design-Build Entity and approved by the City in writing prior to execution of the Agreement. The City's approval of self-insurance, if any, is within the City's sole discretion and is subject to the following conditions:

1. Contractor must, at all times during the term of the Agreement and for a period of at least one (1) year after completion of the Project, and any extension of the one-year correction guarantee period, maintain and upon City's reasonable request provide evidence of:
 - a. Design-Build Entity's "net worth" (defined as "total assets" [defined as all items of value owned by the Design-Build Entity including tangible items such as cash, land, personal property and equipment and intangible items such as copyrights and business goodwill]) minus total outside liabilities must be reflected in a financial statement for the prior fiscal year reflecting sufficient income and budget for Design-Build Entity to afford at least one loss in an amount equal to the amount of self-insurance;
 - b. Financial statements showing that Design-Build Entity has funds set aside/budgeted to finance the self-insured fund (i.e., Design-Build Entity has a program that fulfills functions that a primary insurer would fill); and
 - c. A claims procedure that identifies how a claim is supposed to be tendered to reach the financing provided by the self-insured fund.
2. If at any time after such self-insurance has been approved Design-Build Entity fails to meet the financial thresholds or

otherwise fails to comply with the provisions set forth herein, at the option of the City:

- a. the Design-Build Entity shall immediately obtain and thereafter maintain the third party insurance required herein; or
- b. the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City, its officers, officials, employees and volunteers; or
- c. the Design-Build Entity shall procure a bond guaranteeing payment of losses and related investigation, claim administration, and defense expenses.

1.15.7 Insurer Financial Rating. Insurance companies providing insurance hereunder shall be rated A-:VII or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct insurance business in the State of California.

1.15.8 Notices to City of Cancellation or Changes. Each insurance policy shall contain a provision or be endorsed to state that coverage will not be cancelled without thirty (30) days' prior written notice by certified or registered mail to the City (this obligation may be satisfied in the alternative by requiring such notice to be provided by Design-Build Entity's insurance broker and set forth on its Certificate of Insurance provided to the City), except that cancellation for non-payment of premium shall require (10) days prior written notice by certified or registered mail. If an insurance carrier cancels any policy or elects not to renew and policy required to be maintained by Design-Build Entity pursuant to the Agreement Documents, Design-Build Entity agrees to give written notice to the City. Design-Build Entity shall provide confirmation that the required policies have been renewed not less than seven (7) days prior to the expiration of existing coverages and shall deliver renewal or replacement policies, certificates and endorsements to the City Clerk within fourteen (14) days of the expiration of existing coverages. Design-Build Entity agrees that upon receipt of any notice of cancellation or alteration of the policies, Design-Build Entity shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. Design-Build Entity shall furnish to the City Clerk copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of amendment.

1.15.9 Commercial General Liability. Coverage shall be written on an ISO Commercial General Liability "occurrence" form CG 00 01 (10/01 or later edition) or equivalent form approved by the City

for coverage on an occurrence basis. The insurance shall cover liability, including, but not limited to, that arising from premises operations, stop gap liability, independent contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The policy shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 (11/85). Coverage shall contain no contractors' limitation or other endorsement limiting the scope of coverage for liability arising from pollution, explosion, collapse, or underground (x, c, u) property damage. Design-Build Entity shall provide Products/Completed Operations coverage to be maintained continuously for a minimum of one (1) year after Final Acceptance of the Work, and any extension of the one-year correction guarantee period. Design-Build Entity shall maintain Commercial General Liability insurance with the following minimum limits: \$1,000,000 per occurrence / \$2,000,000 products-completed operations.

1.15.10 Business Automobile Liability. Coverage shall be written on ISO form CA 00 01 (12/93 or later edition) or a substitute form providing equivalent coverage for owned, hired, leased and non-owned vehicles, whether scheduled or not, with \$1,000,000 combined single limit per accident for bodily injury and property damage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

1.15.11 Worker's Compensation. Design-Build Entity shall comply with the applicable sections of the California Labor Code concerning worker's compensation for injuries on the job. Compliance is accomplished in one of the following manners:

1. Provide copy of permissive self-insurance certificate approved by the State of California; or
2. Secure and maintain in force a policy of worker's compensation insurance with statutory limits and Employer's Liability Insurance with a minimal limit of \$1,000,000 per accident; or
3. Provide a "waiver" form certifying that no employees subject to the Labor Code's Workers' Compensation provision will be used in performance of this Contract.

1.15.12 Subcontractor's Insurance. The Design-Build Entity shall include all Subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each Subcontractor. All coverages for Subcontractors shall be subject to all of the requirements stated herein.

1.16 Bonds. The Design-Build Entity shall furnish a satisfactory Faithful Performance Bond meeting all statutory requirements of the State of California on the form provided by the City. The bond shall be

furnished as a guarantee of the faithful performance of the requirements of the Agreement Documents as may be amended from time to time, including, but not limited to, liability for delays and damages (both direct and consequential) to the City and the City's Separate Contractors and consultants, warranties, guarantees, and indemnity obligations, in an amount that shall remain equal to one hundred percent (100%) of the GMP.

The Design-Build Entity shall furnish a satisfactory Labor and Materials Payment Bond meeting all statutory requirements of the State of California on the form provided by the City in an amount that shall remain equal to one hundred percent (100%) of the GMP to secure payment of all claims, demands, stop notices, or charges of the State of California, of material suppliers, mechanics, or laborers employed by the Design-Build Entity or by an Subcontractor, or any person, form, or entity eligible to file a stop notice with respect to the Work.

All bonds shall be executed by a California-admitted surety insurer. Bonds issued by a California-admitted surety insurer listed on the latest version of the U.S. Department of Treasury Circular 570 shall be deemed accepted unless specifically rejected by the City. Bonds issued by sureties not listed in Treasury Circular 570 must be accompanied by all documents enumerated in California Code of Civil Procedure Section 995.660(a). The bonds shall bear the same date as the Agreement. The attorney-in-fact who executes the required bonds on behalf of the surety shall affix thereto a certified and current copy of the power of attorney. In the event of changes which increase the Agreement Price, the amount of each bond shall be deemed to increase and at all times remain equal to the Agreement Price. The signatures shall be acknowledged by a notary public. Every bond must display the surety's bond number and incorporate the Agreement for construction of the Work by reference. The terms of the bonds shall provide that the surety agrees that no change, extension of time, alteration, or modification of the Agreement Documents or the Work to be performed thereunder shall in any way affect its obligations and shall waive notice of any such change, extension of time, alteration, or modification of the Agreement Documents. The surety further agrees that it is obligated under the bonds to any successor, grantee, or assignee of the City.

Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Agreement, the Design-Build Entity shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

Should any bond become insufficient, or should any of the sureties, in the opinion of the City, become non-responsible or unacceptable, the Design-Build Entity shall, within ten (10) Calendar Days after receiving notice from the City, provide written documentation to the satisfaction of the City that Design-Build Entity has secured new or additional sureties for the bonds; otherwise the Design-Build Entity shall be in default of the Agreement. No further payments shall be deemed due or will be made under Contract until a new surety(ies) qualifies and is accepted by the City.

Design-Build Entity agrees that the Labor and Materials Payment Bond and Faithful Performance Bond attached to this Agreement are for reference purposes only, and shall not be considered a part of this Agreement. Design-Build Entity further agrees that said bonds are separate obligations of the Design-Build Entity and its surety, and that any attorney's fee provision contained in any payment bond or performance bond shall not apply to this Agreement. In the event there is any litigation between the parties arising from the breach of this Agreement, each party will bear its own attorney's fees in the litigation.

1.17 Records. The Design-Build Entity and its Subcontractors shall maintain and keep books, payrolls, invoices of materials, and Project records current, and shall record all transactions pertaining to the Agreement in accordance with generally acceptable accounting principles. Said books and records shall be made available to the City of Moreno Valley, Riverside County, the State of California, the Federal Government, and to any authorized representative thereof for purposes of audit and inspection at all reasonable times and places. All such books, payrolls, invoices of materials, and records shall be retained for at least three (3) years after Final Acceptance.

1.18 Design-Build Entity's Indemnification.

1.18.1 General. To the fullest extent permitted by law, the Design-Build Entity assumes liability for and agrees, at the Design-Build Entity's sole cost and expense, to promptly and fully indemnify, protect, hold harmless and defend (even if the allegations are false, fraudulent, or groundless), the City of Moreno Valley, its City Council, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and all of their respective officials, officers, directors, employees, commission members, representatives and agents ("Indemnitees"), from and against any and all claims, allegations, actions, suits, arbitrations, administrative

proceedings, regulatory proceedings, or other legal proceeds, causes of action, demands, costs, judgments, liens, stop notices, penalties, liabilities, damages, losses, anticipated losses of revenues, and expenses (including, but not limited to, any fees of accountants, attorneys, experts or other professionals, or investigation expenses), or losses of any kind or nature whatsoever, whether actual, threatened or alleged, arising out of, resulting from, or in any way (either directly or indirectly), related to the Work, the Project or any breach of the Contract by Design-Build Entity or any of its officers, agents, employees, Subcontractors, Sub-subcontractors, or any person performing any of the Work, pursuant to a direct or indirect contract with the Design-Build Entity (“Indemnity Claims”). Such Indemnity Claims include, but are not limited to, claims for:

1. Any activity on or use of the City’s premises or facilities;
2. Any liability incurred due to Design-Build Entity acting outside the scope of its authority pursuant to the Agreement, whether or not caused in part by an Indemnified Party;
3. The failure of Design-Build Entity or the Work to comply with any Applicable Law, permit or orders;
4. Any misrepresentation, misstatement or omission with respect to any statement made in the Agreement Documents or any document furnished by the Design-Build Entity in connection therewith;
5. Any breach of any duty, obligation or requirement under the Agreement Documents, including, but not limited to any breach of Design-Build Entity’s warranties, representations or agreements set forth in the Agreement Documents;
6. Any failure to coordinate the Work with City’s Separate Contractors;
7. Any failure to provide notice to any party as required under the Agreement Documents;
8. Any failure to act in such a manner as to protect the Project from loss, cost, expense or liability;
9. Bodily or personal injury, emotional injury, sickness or disease, or death at any time to any persons including without limitation employees of Design-Build Entity;
10. Damage or injury to real property or personal property, equipment and materials (including, but without limitation, property under the care and custody of the Design-Build Entity or the City) sustained by any person or persons (including, but not limited to, companies, corporations, utility company or property owner, Design-Build Entity and its employees or agents, and members of the general public);

11. Any liability imposed by Applicable Law including, but not limited to criminal or civil fines or penalties;
12. Any dangerous, hazardous, unsafe or defective condition of, in or on the Site, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the Site by Design-Build Entity, its officers, agents, employees, or Subcontractors;
13. Any operation conducted upon or any use or occupation of the Site by Design-Build Entity, its officers, agents, employees, or Subcontractors under or pursuant to the provisions of the Agreement or otherwise;
14. Any acts, errors, omission or negligence of Design-Build Entity, its officers, agents, employees, or Subcontractors;
15. Infringement of any patent rights, licenses, copyrights or intellectual property which may be brought against the Design-Build Entity or Owner arising out of Design-Build Entity's Work, for which the Design-Build Entity is responsible; and
16. Any and all claims against the City seeking compensation for labor performed or materials used or furnished to be used in the Work or alleged to have been furnished on the Project, including all incidental or consequential damages resulting to the City from such claims.

1.18.2 Effect of Indemnitees' Active Negligence. Design-Build Entity's obligations to indemnify and hold the Indemnitees harmless exclude only such portion of any Indemnity Claim which is attributable to the active negligence or willful misconduct of the Indemnitee, provided such active negligence or willful misconduct is determined by agreement of the parties or by findings of a court of competent jurisdiction. In instances where an Indemnitee's active negligence accounts for only a percentage of the liability for the Indemnity Claim involved, the obligation of Design-Build Entity will be for that entire percentage of liability for the Indemnity Claim not attributable to the active negligence or willful misconduct of the Indemnitee(s). Such obligation shall not be construed to negate, abridge or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described herein. Subject to the limits set forth herein, the Design-Build Entity, at its own expense, shall satisfy any resulting judgment that may be rendered against any Indemnitee resulting from an Indemnity Claim. The Indemnitees shall be consulted with regard to any proposed settlement.

- 1.18.3 Independent Defense Obligation.** The duty of the Design-Build Entity to indemnify and hold harmless the Indemnitees includes the separate and independent duty to defend the Indemnitees, which duty arises immediately upon receipt by Design-Build Entity of the tender of any Indemnity Claim from an Indemnitee. The Design-Build Entity's obligation to defend the Indemnitee(s) shall be at Design-Build Entity's sole expense, and not be excused because of the Design-Build Entity's inability to evaluate liability or because the Design-Build Entity evaluates liability and determines that the Design-Build Entity is not liable. This duty to defend shall apply whether or not an Indemnity Claim has merit or is meritless, or which involves claims or allegations that any or all of the Indemnitees were actively, passively, or concurrently negligent, or which otherwise asserts that the Indemnitees are responsible, in whole or in part, for any Indemnity Claim. The Design-Build Entity shall respond within thirty (30) Calendar Days to the tender of any Indemnity Claim for defense and/or indemnity by an Indemnitee, unless the Indemnitee agrees in writing to an extension of this time. The defense provided to the Indemnitees by Design-Build Entity shall be by well qualified, adequately insured and experienced legal counsel acceptable to the City.
- 1.18.4 Intent of Parties Regarding Scope of Indemnity.** It is the intent of the parties that the Design-Build Entity and its Subcontractors of all tiers shall provide the Indemnitees with the broadest defense and indemnity permitted by Applicable Law. In the event that any of the defense, indemnity or hold harmless provisions in the Agreement Documents are found to be ambiguous, or in conflict with one another, it is the parties' intent that the broadest and most expansive interpretation in favor of providing defense and/or indemnity to the Indemnitees be given effect.
- 1.18.5 Waiver of Indemnity Rights Against Indemnitees.** With respect to third party claims against the Design-Build Entity, to the fullest extent permitted by law, the Design-Build Entity waives any and all rights to any type of express or implied indemnity against the Indemnitees.
- 1.18.6 Subcontractor Requirements.** In addition to the requirements set forth hereinabove, Design-Build Entity shall ensure, by written subcontract agreement, that each of Design-Build Entity's Subcontractors of every tier shall protect, defend, indemnify and hold harmless the Indemnitees with respect to Indemnity Claims arising out of, in connection with, or in any

way related to each such Subcontractors' Work on the Project in the same manner in which Design-Build Entity is required to protect, defend, indemnify and hold the Indemnitees harmless. In the event Design-Build Entity fails to obtain such defense and indemnity obligations from others as required herein, Design-Build Entity agrees to be fully responsible to the Indemnitees.

- 1.18.7 No Limitation or Waiver of Rights.** Design-Build Entity's obligations are in addition to any other rights or remedies which the Indemnitees may have under the law or under the Agreement Documents. Design-Build Entity's indemnification and defense obligations set forth herein are separate and independent from the insurance provisions set forth in the Agreement Documents, and do not limit, in any way, the applicability, scope, or obligations set forth in such insurance provisions. The purchase of insurance by the Design-Build Entity with respect to the obligations required herein shall in no event be construed as fulfillment or discharge of such obligations. In any and all claims against the Indemnitees by any employee of the Design-Build Entity, any Subcontractor, any supplier of the Design-Build Entity or Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the obligations under this Section 1.18 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Design-Build Entity or any Subcontractor or any supplier of either of them, under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. Failure of the City to monitor compliance with these requirements imposes no additional obligations on the City and will in no way act as a waiver of any rights hereunder.
- 1.18.8 Withholding to Secure Obligations.** In the event an Indemnity Claim arises prior to final payment to Design-Build Entity, the City may, in its sole discretion, reserve, retain or apply any monies due Design-Build Entity for the purpose of resolving such Indemnity Claims; provided, however, the City may release such funds if the Design-Build Entity provides the City with reasonable assurances of protection of the Indemnitees' interests. The City shall, in its sole discretion, determine whether such assurances are reasonable.
- 1.18.9 Survival of Indemnity Obligations.** Design-Build Entity's obligations under this Section 1.18 are binding on Design-Build Entity's and its Subcontractors' successors, heirs and assigns

and shall survive the completion of the Work or termination of the Design-Build Entity's performance of the Work.

1.19 **The Design-Build Entity's Labor Certification.** By its signature hereunder, the Design-Build Entity maintains that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of all work described in the Scope of Work for the Project.

1.20 **Attorney's Fees.** If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such action shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

1.21 **Successors.** The parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions contained in this Agreement. The Design-Build Entity may not either voluntarily or by action of law, assign any obligation assumed by the Design-Build Entity hereunder without the prior written consent of the City.

1.22 **Notices.** All notices hereunder and communications regarding interpretation of the terms of the Agreement or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

DESIGN-BUILD ENTITY: _____

Attn: _____

CITY: _____

Attn: _____

1.23 **Attachments.** All Attachments referenced in this Agreement are incorporated into the Agreement by this reference.

1.24 **Recitals.** The above referenced recitals are true and correct and are incorporated into this Agreement by this reference.

Attachment: Design-Build Agreement (2363 : AUTHORIZE THE AWARD OF THE DESIGN-BUILD CONTRACT TO OPTERRA ENERGY SERVICES,

- 1.25 **Authority of Signatories.** The persons executing this Agreement on behalf of their respective Parties represent and warrant that they have the authority to do so under law and from their respective Parties.

(Signature Page Follows)

CITY OF MORENO VALLEY, Municipal Corporation **Opterra Energy Services, Inc.**

BY: _____
City Manager

License No./
Classification: _____

DATE: _____

Expiration Date: _____

Federal I.D. No.: _____

INTERNAL USE ONLY

ATTEST:

City Clerk
(only needed if Mayor signs)

APPROVED AS TO LEGAL FORM:

City Attorney

Date

RECOMMENDED FOR APPROVAL:

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

SIGNING INSTRUCTIONS TO THE CONTRACTOR:

Signature(s) must be accompanied by a completed notary certificate of acknowledgement attached hereto. A general partner must sign on behalf of a partnership. **Two (2)** corporate officers must sign on behalf of a corporation unless the corporation has a corporate resolution that allows one person to sign on behalf of the corporation; if applicable, said resolution must be attached hereto. The corporate seal may be affixed hereto.

Attachment: Design-Build Agreement (2363 : AUTHORIZE THE AWARD OF THE DESIGN-BUILD CONTRACT TO OPTERRA ENERGY SERVICES,



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Chief Financial Officer

AGENDA DATE: January 3, 2017

TITLE: APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, TO AMEND THE ELECTRIC SERVICE RULES, FEES AND CHARGES FOR MORENO VALLEY UTILITY (MVU)

RECOMMENDED ACTION

Recommendation:

1. Approve Resolution No. 2017-02. A Resolution of the City Council of the City of Moreno Valley, California, to Amend the Electric Service Rules, Fees and Charges for Moreno Valley Utility (MVU).

SUMMARY

This report recommends approval of a resolution that would amend Rule 21 included in the Moreno Valley Utility Electric Service Rules, Fees and Charges.

Rule 21 describes the interconnection, operating, and metering requirements for generating facilities to be connected to Moreno Valley Utility's electrical distribution system. The proposed amendment provides clarification within the current Rule on the technical requirements and distribution system planning assumptions. The clarification within the Rule will assist in making project developers aware of the current requirements prior to application and shall facilitate the timing of their projects and minimize any redesign requirements.

The proposed amendment was presented to the Utilities Commission on December 14, 2016.

DISCUSSION

As MVU receives requests for approval of solar installations greater than 100 kW, a

facilities study is performed to analyze the impact of the proposed generating facility on MVU's distribution system. The study focuses on the potential for excess generation that would negatively impact the operation of MVU's system and potentially impact Southern California Edison's (SCE) system at the various interconnection points between MVU and SCE.

The amendment under Section D4, Supplemental Generating Facility Requirements, clarifies technical requirements for the installation of solar systems that are consistent with utility industry best practices. The following provides the new clarifications added to Section D4:

- Section D4a: "The maximum solar generation capacity that will be approved to be connected to each meter is up to 50% of the meter minimum daytime load. The meter minimum daytime load will be determined by analyzing one year of historic data, while ignoring any extraordinary events (outages, partial lights, etc.), unless there have been recent major changes to the daily demand schedule. In that case, the most recent information will be evaluated."
- Section D4b: "For 12kV distribution circuits with multiple solar projects connected, the maximum solar generation capacity that will be approved will be up to 50% of the total minimum daytime coincident circuit load, including any solar generation previously approved on the circuit. Capacity will be approved on a first come and first serve basis. 50% of the minimum daytime coincident circuit load will be determined by analyzing one year of historic data, while ignoring any extraordinary events (outages, partial lights, etc.), unless there have been recent major changes to the daily demand schedule. In that case, the most recent information will be evaluated."
- Section D4f: "The Generating Facility may require additional approvals from other agencies before the Facility is allowed to begin construction."

Other additions include clarification that an Initial Review deposit of \$2,000 is required for systems that will not be net metered.

ALTERNATIVES

1. Approve proposed resolution to amend the Electric Service Rules, Fees and Charges for Moreno Valley Utility. *Staff recommends this alternative as the proposed amended electric service rules will allow the utility efficiently operate its electrical distribution system.*
2. Do not approve the proposed resolution to amend the Electric Service Rules, Fees and Charges for Moreno Valley Utility. *Staff does not recommend this alternative because the proposed amendments will allow the utility to maintain reliable and efficient operation of its system.*

FISCAL IMPACT

There is no fiscal impact associated with the proposed amendment.

NOTIFICATION

Publication of the Agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Jeannette Olko
Electric Utility Division Manager

Department Head Approval:
Marshall Eyerman
Chief Financial Officer/City Treasurer

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

Objective 4.1: Develop a Moreno Valley Utility Strategic Plan to prepare for the 2020 expiration of the ENCO Utility Systems agreement.

ATTACHMENTS

- 1. Resolution Rule Adjustment
- 2. Rules Fees Charges - Jan 2017
- 3. Rules Fees Charges - Jan 2017 Highlighted

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/19/16 10:03 AM
City Attorney Approval	<u>✓ Approved</u>	12/22/16 8:59 AM
City Manager Approval	<u>✓ Approved</u>	12/22/16 10:03 AM

RESOLUTION NO. 2017-02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, TO AMEND THE ELECTRIC SERVICE RULES, FEES AND CHARGES FOR MORENO VALLEY UTILITY

WHEREAS, the City of Moreno Valley (the "City"), a municipal corporation, is authorized pursuant to Article XI, Section 9(a) of the California Constitution to establish, purchase, and operate public works to furnish its inhabitants with light, water, power, heat, transportation, or means of communication; and

WHEREAS, on June 26, 2001, the City Council of the City of Moreno Valley approved Resolution No. 2001-33 and, as amended by Resolution 2002-46, authorized the formation of a municipally owned utility for the purpose of providing electrical power, storm water, telephone telecommunications, cable TV, water, natural gas, and sanitary sewer; and

WHEREAS, on July 8, 2003, the City Council approved Resolution No. 2003-58 adopting the Electric Service Rules, Fees and Charges document for Moreno Valley Utility which states, in part, that the rates to be charged by and paid to the City for electric service will be the rates legally in effect and on file with the City Council; and

WHEREAS, on January 13, 2004, the City Council approved Resolution No. 2004-05 establishing the electric rates for Moreno Valley Utility; and

WHEREAS, on September 26, 2006, the City Council approved Resolution No. 2006-112 implementing a schedule to adjust Moreno Valley Utility electric rates to reflect the same schedule as Southern California Edison; and

WHEREAS, there are sections of the Electric Service Rules, Fees and Charges document that contain rules which define the terms and conditions under which electric service will be provided to the customer; and

WHEREAS, there are rules, fees, charges, and rates associated with providing the services identified in these documents. These rules, fees, charges, and rates are deemed necessary and equitable for services rendered and are required to fund in whole or in part, all of the services required to facilitate the delivery of electric distribution pursuant to the rules; and

WHEREAS, Urgency Ordinance No. 651 was adopted by the City Council on December 9, 2003, allowing for the adoption of rates by resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1
Resolution No. 2017-02
Date Adopted: January 03, 2017

1. The City Council hereby adopts the amended Moreno Valley Utility Electric Service Rules, Fees and Charges, attached hereto as Exhibit A and incorporated herein, and on file in the Financial and Management Services Department.

APPROVED AND ADOPTED this 3rd day of January 2017.

 Mayor of the City of Moreno Valley

ATTEST:

 City Clerk

APPROVED AS TO FORM:

 City Attorney

2
 Resolution No. 2017-02
 Date Adopted: January 03, 2017

Attachment: Resolution Rule Adjustment [Revision 1] (2355 : APPROVAL TO AMEND THE ELECTRIC SERVICE RULES FOR MORENO VALLEY

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Marie Macias, Interim City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2017-02 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 3rd day of January 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

Resolution No. 2017-02³
Date Adopted: January 03, 2017

Attachment: Resolution Rule Adjustment [Revision 1] (2355 : APPROVAL TO AMEND THE ELECTRIC SERVICE RULES FOR MORENO VALLEY

City of Moreno Valley
Electric Service Rules, Fees and Charges

Electric Rules, Fees, and Charges - Table of Contents

ELECTRIC RULE 1—ADOPTION OF ELECTRIC RULES AND DEFINITIONS..... 3

ELECTRIC RULE 2—DESCRIPTION OF SERVICE 5

ELECTRIC RULE 3—APPLICATION FOR SERVICE..... 18

ELECTRIC RULE 4—CONTRACTS 20

ELECTRIC RULE 5—SPECIAL INFORMATION REQUIRED ON FORMS 21

ELECTRIC RULE 6—ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT 22

ELECTRIC RULE 7—DEPOSITS..... 23

ELECTRIC RULE 8—NOTICES..... 25

ELECTRIC RULE 9—RENDERING AND PAYMENT OF BILLS 27

ELECTRIC RULE 10—DISPUTED BILLS 30

ELECTRIC RULE 11—DISCONTINUANCE AND RESTORATION OF SERVICE 32

ELECTRIC RULE 12—RATES AND OPTIONAL RATES 36

ELECTRIC RULE 13- TEMPORARY SERVICE.....38

ELECTRIC RULE 14—SHORTAGE OF SUPPLY AND INTERRUPTION OF DELIVERY 39

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS..... 40

ELECTRIC RULE 16—SERVICE EXTENSIONS..... 45

ELECTRIC RULE 17—METER TESTS AND ADJUSTMENT OF BILLS FOR METER ERROR..... 56

ELECTRIC RULE 17.1- ADJUSTMENTS OF BILLING ERROR..... 58

ELECTRIC RULE 17.2— ADJUSTMENT OF BILLS FOR UNAUTHORIZED USE..... 59

ELECTRIC RULE 21— GENERATING FACILITY INTERCONNECTIONS..... 62

CHART OF CHARGES AND FEES 99

PLAN CHECK AND INSPECTION FEES 100

ELECTRIC RULE 1—ADOPTION OF ELECTRIC RULES AND DEFINITIONS

These Electric Rules established by the City of Moreno Valley (“City”) and approved by the City Council are effective throughout the service area of the City of Moreno Valley’s Electric Utility.

All rules are subject to change. Copies of the rules currently in effect will be kept in the offices of the Electric Utility Division, Department of Public Works. Customers or others contemplating any expenditures or activities governed by these rules should assure themselves that they have the current version by contacting the Electric Utility Division. A copy of the current rates is also available on the City’s website – www.moval.org.

For the purpose of these rules, the following terms shall have the following meanings:

Applicant: A person, persons, firm, association, governmental agency, corporation or other concern that submits a request for electric service from the Utility and who will be responsible for all related charges.

Billing Demand: The load or demand, measured in kilowatts and kilovars, used for computing charges under rate schedules based on the size of the Customer's load or demand. It may be connected load, the measured maximum demand, or a modification of either as provided for by the applicable rate schedule.

City Council: The City Council of the City of Moreno Valley, designated as the governing body of the Utility.

Connected Load: The sum of the nameplate-rated capacities of all of the Customer's equipment that can be connected to the Utility's lines at any one time as more completely described in the rate schedules.

Customer: The person, persons, firm, association, governmental agency, corporation or other concern that use, are entitled to use, or benefit from the use of electricity from the Utility.

Date of Presentation: The date upon which a bill or notice is mailed or delivered by the Utility to the Customer.

Distribution Lines: Overhead pole lines and underground facilities consisting of conduit, wire and cable that are operated at distribution voltages.

Energy Diversion: Electricity being received by a Customer without registering through the meter due to either tampering with the meter or bypassing the meter.

HP: Horsepower.

kVAR: Kilovar

kVARh: Kilovar-hour

kW: Kilowatt.

kWh: Kilowatt-hour.

On-Site Facilities: On-site facilities include the facilities located on the Premises as well as those in adjacent rights-of-way, easements and a proportionate share of any facilities on adjacent property used to provide service to the Premises.

Nominal Voltage: The nominal voltage of a circuit is the approximate voltage between conductors in a circuit or system of a given class, assigned for the purpose of convenient designation. For any specific nominal voltage, the operating voltage actually existing at different points and times on the system will vary.

Person: Any individual, partnership, corporation, public agency or legal entity.

Premises: All real property, buildings, and appurtenances upon an integral parcel of land undivided by a street, highway or other public thoroughfare.

Service Wires or Connection: The group of conductors connecting the service entrance conductors of the Customer to the Utility's supply line, regardless of the location of the Utility's meters or transformers.

Utility: City of Moreno Valley

ELECTRIC RULE 2—DESCRIPTION OF SERVICE

A. GENERAL

1. The type of service available at any particular location should be determined by inquiry at City's local office.
2. Alternating-current service will be regularly supplied at a frequency of approximately 60 Hertz (cycles per second).
3. In areas where a certain standard secondary voltage is presently being served to one or more Customers, an Applicant applying for new service in such areas may be required by City to receive the same standard voltage supplied to existing Customers.
4. All electric service described in this rule is subject to the conditions in the applicable rate schedule and other pertinent rules.
5. It is the responsibility of the Applicant to ascertain and comply with the requirements of governmental authorities having jurisdiction.
6. Service to a premise is normally established at one delivery point, through one meter, and at one voltage class. Other arrangements for service at multiple service delivery points, or for services at more than one voltage class, are permitted only where feasible and with the approval of City. For purposes of this rule, distribution service voltage classes, delta or wye connected, are described as:
 - a. 0-600 volt source, single-phase, 1Ø
 - b. 0-600 volt source, three-phase, 3Ø
 - c. above 600 volt source, three-phase, 3Ø
7. Direct-current (d-c) or two-phase service is not available.

B. SERVICE DELIVERY VOLTAGES

- Following are the standard service voltages normally available, although not all of them are or can be made available at each service delivery point:

Distribution Voltages		
Single-phase Secondary	Three-phase Secondary	Three-phase Primary
120/240, 3-wire	240/120, 4-wire 480/277, 4-wire*	12,000, 3-wire 2,400, 3-wire*
120/208, 3-wire*	208Y/120, 4-wire	4,160, 3-wire*
		4,160Y/2,400, 4-wire*
		12,000Y/6,930, 4-wire*

***Limited Availability.**

- All voltages referred to in this rule and appearing in some rate schedules are nominal service voltages at the service delivery point. City's facilities are designed and operated to provide sustained service voltage at the service delivery point, but the voltage at a particular service delivery point, at a particular time, will vary within fully satisfactory operating range limits established in Section C.
- The point of delivery and point of metering will normally be at the same voltage and within close proximity to each other. When City determines it is not feasible for the point of delivery and point of metering to be at the same voltage and within close proximity to each other, the demand and energy meter readings used in determining the charges will be adjusted to correct for transformation and line losses. An estimated transformer loss adjustment factor of two percent (2%) will be applied to the demand and energy meter readings for each stage of transformation between the point of delivery and the point of metering, unless City and the Customer agree that specific transformer manufacturer test data support a different transformer loss adjustment. Line losses will be calculated as a function of the current through, and the electrical characteristics of, the line between the point of delivery and point of metering.

C. VOLTAGE AND FREQUENCY CONTROL

1. CUSTOMER SERVICE VOLTAGES

- a. Under all normal load conditions, City's distribution circuits will be operated so as to maintain secondary service voltage levels to Customers within the service voltage ranges specified below:

Nominal Two-Wire And Multi-Wire Service Voltage	Minimum Voltage To All Services	Maximum Service Voltage On All Services
120	114	126
208	197	218
240	228	252
277	263	291
480	456	504

City's distribution voltage will be regulated to the extent practicable to maintain service voltage on residential and commercial distribution circuits within the minimum and maximum voltages specified above.

- b. Exceptions to Voltage Limits. Voltage may be outside the limits specified when the variations:
- 1) Arise from the temporary action of the elements.
 - 2) Are infrequent momentary fluctuations of a short duration
 - 3) Arise from service interruptions.
 - 4) Arise from temporary separation of parts of the system from the main system.
 - 5) Are from causes beyond the control of City, and which may be sustained duration.
- c. Where the operation of the Applicant's equipment requires unusually stable voltage regulation or other stringent voltage control beyond that supplied by City in the normal operation of its system, the Applicant, at his own expense, is responsible for installing, owning, operating, and maintaining any special or auxiliary equipment on the load side of the service delivery point as deemed necessary by the Applicant.
- d. The Applicant shall be responsible for designing and operating his service facilities between the service delivery point and the utilization equipment to

maintain proper utilization voltage at the line terminals of the utilization equipment.

2. CUSTOMER UTILIZATION VOLTAGES

- a. All Customer-owned utilization equipment must be designed and rated in accordance with the following utilization voltages specified by the American National Standard Institute C84.1 if Customer equipment is to give fully satisfactory performance:

Nominal Utilization Voltage	Minimum Utilization Voltage	Maximum Utilization Voltage
120	100	125
208	191	216
240	220	250
277	254	289
480	440	500

Minimum utilization voltages from ANSI C84.1 are shown for Customer information only as City has no control over voltage drop in Customer's wiring.

D. GENERAL LOAD LIMITATIONS

1. SINGLE-PHASE SERVICE

Single-phase service normally will be three-wire, 120/240 volts where the size of any single motor does not exceed 7.5 horsepower (10 horsepower at the option of City). For any single-phase service, the maximum demand as determined by City is limited to the capability of a 100-kVA transformer and 400 amp main disconnect unless otherwise approved by City. If the load requires a transformer installation in excess of 100 kVA, the service normally will be three-phase.

2. THREE-PHASE SERVICE (LESS THAN 600 VOLTS)

- a. Secondary service from underground primary distribution systems (where City maintains existing 3-phase primary circuits):

Nominal Voltage	Minimum Load	Maximum Demand
208Y/120, 4-wire	Demand load justifies a 75 kVA transformer	3,000 kVA
480Y/277, 4-wire	Demand load justifies a 75 kVA transformer	3,000 kVA

- b. Where three-phase service is supplied, City reserves the right to use single-phase transformers connected open-delta or closed-delta, or three-phase transformers.
- c. Three-phase service will be supplied on request for installations aggregating less than the minimums listed above where existing transformer capacity is available and approved by City.
- d. Three-phase metering for one service voltage supplied to installations on one premise at one delivery location normally is limited to a maximum of a 4,000 ampere service rating. Metering for larger installations, or installations having two (2) or more service switches with a combined rating in excess of 4,000 amperes, or service for loads in excess of the maximum demand load permitted, may be installed provided approval of City has been first obtained as to the number, size, and location of switches, circuits, transformers and related facilities. Service supplied to such approved installations in excess of one 4,000 ampere switch or breaker at one service delivery point may be totaled for billing purposes.

3. THREE-PHASE SERVICE (OVER 600 VOLTS)

- a. Following are three-phase voltages that may be transformed from higher existing primary distribution voltages and provided only as isolated services for a single Applicant where the Applicant's demand load justifies, as determined by City, the installation of the minimum size transformer bank used by City:

Nominal Voltage	Minimum Size Bank Installed	Maximum Demand Load Permitted
2,400*	500 kVA	5,000 kVA
4,160*	500 kVA	5,000 kVA
12,000	500 kVA	12,000 kVA

***Limited Availability.**

- b. For its operating convenience and necessity, City may elect to supply an Applicant whose demand load is in excess of 2,000 kVA from a substation on the Applicant's Premises supplied from a transmission source.
- c. City reserves the right to change its distribution or transmission voltage to another standard service voltage when, in its judgment, it is necessary or advisable for economic reasons or for proper service to its Customers. Where a Customer is receiving service at the voltage being changed, the Customer then has the option to: (1) accept service at the new voltage, (2) accept service at the secondary side of an additional stage of transformation to be supplied by City at a location on the Customer's Premises in accordance with City's requirements, or (3) contract with City for an additional stage of transformation to be installed as Special Facilities (including any applicable Contributions in Aid of Construction taxes) under the provisions of Section I, below, whereby the Customer will be considered as accepting service at the primary side of the additional stage of transformation. Metering not relocated to the primary side of the additional stage of transformation will be subject to a transformer loss adjustment in accordance with Section B.4 of this Rule. The option to contract with City for an additional stage of transformation (option 3, above) is available only once in conjunction with a change in standard voltage by City.

4. LOAD BALANCE

The Applicant must balance his demand load as nearly as practicable between the two sides of a three-wire single-phase service and between all phases of a three-phase service. The difference in amperes between any two phases at the Customer's peak load should not be greater than 10 percent or 50 amperes (at the service delivery voltage), whichever is greater; except that the difference between the load on the lighting phase of a four-wire delta service and the load on the power phase may be more than these limits. It will be the responsibility of the Customer to keep his demand load balanced within these limits.

E. PROTECTIVE DEVICES

1. It shall be the Applicant's responsibility to furnish, install, inspect and keep in good and safe condition at his own risk and expense, all appropriate protective devices of any kind or character, which may be required to properly protect the Applicant's facilities. City shall not be responsible for any loss or damage occasioned or caused by the negligence, or wrongful act of the Applicant or of any of his agents, employees or licensees in omitting, installing, maintaining, using, operating or interfering with any such protective devices.
2. It shall be the Applicant's responsibility to select and install such protective devices as may be necessary to coordinate properly with City's protective devices to avoid exposing other Customers to unnecessary service interruptions.
3. It shall be the Applicant's responsibility to equip his three-phase motor installations with appropriate protective devices, or use motors with inherent features, to completely disconnect each such motor from its power supply, in accordance with National Electrical Code, giving particular consideration to the following:
 - a. Protection in each set of phase conductors to prevent damage due to overheating in the event of overload.
 - b. Protection to prevent automatic restarting of motors or motor driven machinery, which has been, subjected to a service interruption and, because of the nature of the machinery itself or the product it handles, cannot safely resume operation automatically.
 - c. Open-phase protection to prevent damage due to overheating in the event of loss of voltage on one phase.
 - d. Reverse-phase protection where appropriate to prevent uncontrolled reversal of motor rotation in the event of accidental phase reversal. (Appropriate installations would include, but are not limited to, motors driving elevators, hoists, tramways, cranes, pumps, conveyors, etc.)

4. The available short-circuit currents vary from one location to another, and also depends on available generation, condition of the system loads, and the ultimate design characteristics of City's supply and service facilities. Consult City for the ultimate maximum short-circuit current at each service termination point.
5. Where an Applicant proposes to use a ground-fault sensing protective system which would require special City-owned equipment, such a system may be installed only where feasible and with written approval of City.
6. Any non-City-owned emergency standby or other generation equipment that can be operated to supply power to facilities that are also designed to be supplied from City's system shall be controlled with suitable protective devices by the Applicant to prevent parallel operation with City's system in a fail-safe manner, such as the use of a double-throw transfer switch to disconnect all conductors, except where there is a written agreement or service contract with City permitting such parallel operation.

F. INTERFERENCE WITH SERVICE

1. GENERAL

City reserves the right to refuse to serve new loads or to discontinue supply to existing loads of a size or character that may be detrimental to City's operations or to the service of its Customers. Any Customer who operates or plans to operate any equipment such as, but not limited to, pumps, welders, saw mill apparatus, furnaces, compressors or other equipment where the use of electricity is intermittent, causes intolerable voltage fluctuations, or otherwise causes intolerable service interference, must reasonably limit such interference or restrict the use of such equipment upon request by City. The Customer is required either to provide and pay for whatever corrective measures are necessary to limit the interference to a level established by City as reasonable, or avoid the use of such equipment, whether or not the equipment has previously caused interference.

2. HARMFUL WAVE FORM

Customer shall not operate equipment that superimposes a current of any frequency or waveform upon City's system, or draws current from City's system of a harmful waveform, which causes interference with City's operations, or the service to other Customers, or inductive interference to communication facilities.

3. CUSTOMER'S RESPONSIBILITY

Any Customer causing service interference to others must diligently pursue and take corrective action after being given notice and a reasonable time to do so by City. If the Customer does not take corrective action in the time set, or continues to operate the equipment causing the interference without restriction or limit, City may, without liability, after giving five (5) days written notice to Customer, either install

and activate control devices on its facilities that will temporarily prevent the detrimental operation, or discontinue electric service until a suitable permanent solution is provided by the Customer and it is operational.

4. MOTOR STARTING CURRENT LIMITATIONS

- a. The starting of motors shall be controlled by the Customer as necessary to avoid causing voltage fluctuations that will be detrimental to the operation of City's distribution or transmission system, or to the service of any of City's customers.
- b. If the starting current for a single motor installation exceeds the value listed for Class C or better (per National Electrical Code Section 430) and the resulting voltage disturbance causes or is expected to cause detrimental service to others, reduced voltage starters or other suitable means must be employed, at the Customer's expense, to limit the voltage fluctuations to a level equivalent to a Class C motor.
- c. Where service conditions permit, subject to City's approval, motor starters may be deferred in the original installation. City may later order the installation of a suitable starter or other devices when it has been determined that the operation of the Customer's motors interfere with service to others. Also, City may require starting current values lower than those set forth herein where conditions at any point on its system require such reduction to avoid interference with service to other Customers.
- d. Starters may be omitted on the smaller motors of a group installation when their omission will not result in a starting current in excess of the allowable starting current of the largest motor of the group. Where motors start simultaneously, they will be treated as a single unit equal to the sum of their individual starting currents.
- e. City may limit the maximum size and type of any motor that may be operated at any specific location on its system to that which will not be detrimental to City's system operations or to the service of its customers, as determined by City.
- f. For installations of motors where the equipment is started automatically by means of float, pressure, or thermostat devices, such as with pumps or wind machines for frost protection, irrigation pumps or other similar installations, City may require the Customer to install, at his own expense and in accordance with City's operating requirements, suitable preset time-delay devices to stagger the automatic connection of load to the supply system and to prevent simultaneous start-up for any reason.

G. POWER FACTOR

When lighting devices, such as neon, fluorescent, luminous gaseous, mercury vapor, and other lighting equipment having low power factors are served on street lighting schedules, the Customer shall provide, at his own expense, power factor corrective equipment to increase the power factor of each complete lighting device to not less than 90 percent.

H. CONNECTED LOAD RATINGS

1. The connected load is the sum of the rated capacities of all of the Customer's electric utilization equipment that is served through one metering point and that may be operated at the same time, computed to the nearest one-tenth of a horsepower, kilowatt (kW) or kilovolt-ampere (kVA). Motors will be counted at their nameplate ratings in horsepower output and other devices at their nameplate input ratings in kW or kVA, except that resistance welders will be rated in accordance with the section of this rule regarding "Welder Service." Unless otherwise stated in the rate schedule, conversions between horsepower, kW and/or kVA ratings will be made on a one-to-one basis.
2. The normal operating capacity rating of any motor or other device may be determined from the nameplate rating. Where the original nameplate has been removed or altered, the manufacturer's published rating may be used or the rating determined by test at the expense of the Customer.
3. Motor-generator sets shall be rated at the nameplate rating of the alternating-current drive motor of the set.
4. X-Ray Equipment
 - a. X-ray equipment shall be rated at the maximum nameplate kVA input operating at the highest rated output amperes. If the kVA input rating is not shown, it will be determined for single-phase loads by taking the product of the amperes input rating times the input voltage rating divided by 1,000. For three-phase equipment, multiply this product times the square root of three (1.73).
 - b. Where X-ray equipment is separately metered and supplied from a separate transformer installed by City to serve the X-ray installation only, the kVA rating of City's transformer or the total X-ray equipment input capacity, whichever is smaller, will be considered the load for billing purposes.
5. Where a Customer operates a complete unit of equipment connected for three-phase service, but consisting of single-phase components which cannot be readily reconnected for single-phase service, City shall consider the connected load of such a unit as three-phase load.
6. Where a Customer has, or expects to have, permanently-connected, three-phase load that is used infrequently or for short duration, such as, but not limited to, equipment

for fire pumps, frost protection, flood control, emergency sirens or other similar installations which make it impractical to record proper demands on a monthly basis for billing purposes, the Customer may, for his own reasons and with City's approval, guarantee an appropriate billing demand or connected three-phase load for billing purposes in order to reserve suitable capacity in City's facilities.

I. SPECIAL FACILITIES

1. City normally installs only those standard facilities, which it deems are necessary to provide regular service in accordance with the tariff schedules. Where the Applicant requests City to install Special Facilities and City agrees to make such an installation, the additional costs thereof shall be borne by the Applicant, including such continuing ownership costs as may be applicable.
2. Special Facilities are: (a) facilities requested by an Applicant which are in addition to or in substitution for standard facilities which City would normally provide for delivery of service at one point, through one meter, at one voltage class under its tariff schedules, or (b) a pro rata portion of the facilities requested by an Applicant, allocated for the sole use of such Applicant, which would not normally be allocated for such sole use. Unless otherwise provided by City's rate schedules, Special Facilities will be installed, owned and maintained by City as an accommodation to the Applicant only if acceptable for operation by City, and the reliability of service to City's other customers is not impaired and Applicant funds construction and pays incremental costs.
3. Special Facilities will be installed under the terms and conditions of a contract in the form on file with the Utility. Such contract will include, but is not limited to, the following terms and conditions:
 - a. Where new facilities are to be installed for Applicant's use as Special Facilities, the Applicant shall advance to City the estimated additional installed cost of the Special Facilities over the estimated cost of standard facilities. At City's option, City may finance the new facilities.

J. WELDER SERVICE

1. RATING OF WELDERS

Electric welders will be rated for billing purposes as follows:

- a. **MOTOR-GENERATOR ARC WELDERS** - The horsepower rating of the motor driving a motor-generating type arc welder will be taken as the horsepower rating of the welder.
- b. **TRANSFORMER ARC WELDERS** - Nameplate maximum kVA input (at rated output amperes) will be taken as the rating of transformer type arc welders.

- c. RESISTANCE WELDERS - Resistance welder ratings will be determined by multiplying the welder transformer nameplate rating (at 50 percent duty cycle) by the appropriate factor listed below:

TYPE OF WELDER	TRANSFORMER NAMEPLATE RATING @ 50% Duty Cycle**	FACTOR City Owned Distribution Transformer
1. Rocker Arm, Press or Projection Spot	20 kVA or less	0.60
2. Rocker Arm, Press Spot Project Spot Flash or Butt Seam or Portable Gun	Over 20 kVA 21 to 75 kVA, inclusive 100 kVA or over All sizes	0.80
3. Flash or Butt	67 to 100 kVA, inclusive	***
4. Projection Spot Flash or Butt	Over 75 kVA 66 kVA or less	1.20
<p>** The kVA rating of all resistance welders to which these rating procedures are applied must be at or equivalent to 50 percent duty cycle operation. Duty cycle is the percent of the time welding current flows during a given operating cycle. If the operating kVA nameplate rating is for some other operating duty cycle, then the thermally equivalent kVA rating at 50 percent duty cycle must be calculated.</p> <p>*** Each flash or butt welder in this group will be rated at 80 kVA.</p>		

- d. Ratings prescribed by a, b, and c above normally will be determined from nameplate data or from data supplied by the manufacturer. If such data are not available or are believed by either City or Customer to be unreliable, the rating will be determined by test at the expense of the Customer.
- e. If established by seals approved by City, the welder rating may be limited by the sealing of taps, which provide capacity greater than the selected tap, and/or by the interlocking lockout of one or more welders with other welders.
- f. When conversion of units is required for tariff application, one welder kVA will be taken as one horsepower for rules stated on a horsepower basis and one welder kVA will be taken as one kilowatt for rates stated on a kilowatt basis.

2. BILLING OF WELDERS

Welders will be billed at the regular rates and conditions of the rules on which they are served, subject to the following provisions:

- a. CONNECTED LOAD TYPE OF SCHEDULE. Welder load will be included as part of the connected load with ratings as determined under Section 1, above, based on the maximum load that can be connected at any one time, and no allowance will be made for diversity between welders.

- b. DEMAND METERED TYPE OF SCHEDULE. Where resistance welders are served on these schedules, the computation of diversified resistance welder load shall be made as follows:

Multiply the individual resistance welder ratings, as prescribed in Sections 1.c. to 1.f. inclusive (above) by the following factors, and add to the results thus obtained:

- 1.0 times the rating of the largest welder
- 0.8 times the rating of the next largest welder
- 0.6 times the rating of the next largest welder
- 0.4 times the rating of the next largest welder
- 0.2 times the ratings of all additional welders

If this computed, diversified, resistance welder load is greater than the metered demand, the diversified resistance welder load will be used in lieu of the metered demand for rate computation purposes.

ELECTRIC RULE 3—APPLICATION FOR SERVICE

A. APPLICATIONS

City may require each Customer to sign an application for the service desired, and also to establish credit. Generally, applications for service will be taken over the telephone, but may be taken in person or received by mail.

Application form shall set forth:

1. Legal name of Applicant.
2. Location of Premises.
3. Date Applicant will be ready for service.
 - a. Service restoration: When the Customer's service has been terminated either because of a determination by City that an unsafe apparatus or condition exists on the Premises, or because the Customer has threatened to create a hazardous condition, service will not be restored until City determines the Customer's electrical wiring or equipment or the use of either, has been made safe. When service is denied or terminated solely under these sections, the Customer may seek remedies before the City Council.
 - b. When the Customer's service has been terminated because of an order of termination issued to City by a governmental agency, service will not be restored until City has received authorization to restore the service from the appropriate governmental agency.
4. Whether electric service was previously supplied to the Premises.
5. Purpose for which service is to be used, with description of appliances.
6. Address to which bills are to be mailed or delivered.
7. Whether Applicant is owner, agent, or tenant of Premises.
8. Rate schedule desired where an optional rate is available.
9. Information necessary to the design, installation, maintenance, and operation of City's facilities.
10. Such other information as City may reasonably require for service.

The application is merely a request for service, and does not in itself bind City to serve except under reasonable conditions, nor does it bind the Customer to take service for a longer period than the minimum requirements of the rate. City may disconnect or refuse

to provide service to the Applicant if the acts of the Applicant or the conditions upon the Premises indicate that false, incomplete, or inaccurate information was provided to City. City shall provide the Applicant the reason for such refusal.

C. INDIVIDUAL LIABILITY FOR JOINT SERVICE

Where two or more persons join in one application or contract for service, they shall be jointly and severally liable thereunder and shall be billed by means of a single periodic bill mailed to the person designated on the application to receive the bill. Whether or not City obtained a joint application, where two (2) or more adults occupy the same Premises, they shall be jointly and severally liable for bills for energy supplied.

D. CHANGE OF CUSTOMER'S APPARATUS OR EQUIPMENT

In the event that the Customer shall make any material change either in the amount or character of the loads, protective equipment, or characteristic apparatus changes (reactive vs. inductive loads) installed upon the Premises to be supplied with electric energy by City, the Customer shall immediately give City written notice of this fact.

ELECTRIC RULE 4—CONTRACTS

Contracts will not be required as a condition precedent for service except:

1. As may be required by conditions set forth in the regular schedule of rates approved or accepted by the City.
2. In the case of electric extensions, temporary service, or service to speculative projects, in which case a contract may be required.

ELECTRIC RULE 5—SPECIAL INFORMATION REQUIRED ON FORMS

A. CONTRACTS

Each contract for electric service will contain the following provisions: “This contract shall at all times be subject to such changes or modification by the City Council as may, from time to time, direct in the exercise of its jurisdiction.”

B. CUSTOMERS’ BILLS

Each bill for electric service will include the following statements: “This bill is now due and payable. If you believe your bill is incorrect, call the MVU Customer Service Center. If you are not satisfied with the explanation provided and still believe you have been billed incorrectly, send the bill and a statement supporting your belief that the bill is not correct to the City of Moreno Valley Council Utility Hearing Board (Board) at 14177 Frederick Street, Moreno Valley, CA 92552. To avoid having service turned off if the bill has not been paid, enclose a deposit for the amount of the bill made payable to City Council. If you are unable to pay the amount in dispute, you must inform the Board of your inability to pay. Your service will remain on until the Board completes its review. The Board will review the basis of the billed amount, communicate the results of its review to the parties and make disbursement of the deposit. The Board will not, however, accept deposits when the dispute appears to be over matters that do not directly relate to the accuracy of the bill. Such matter includes the quality of a utility’s service, general level of rates, pending rate changes, and sources of fuel and power.”

C. DISCONTINUANCE OF SERVICE NOTICE

Each Discontinuance of Service Notice for nonpayment of bills will include the following information:

1. The name and address of the Customer whose account is delinquent.
2. The amount of the delinquency.
3. The date by which payment (or arrangements for payment) is required, or the date by which the dispute must be documented in order to avoid termination.
4. The procedure by which the Customer may initiate a complaint or request an investigation concerning service or charges as defined herein.
5. The telephone number of a representative of City who can provide additional information or institute arrangements for payment.
6. The telephone number of the Board to which inquiries by the Customer may be directed.

ELECTRIC RULE 6—ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

An Applicant for City service may be required to establish credit. A Customer whose City service has been terminated for nonpayment of an energy bill or whose payments have been past due, as set forth below, may be required to re-establish credit.

A. ESTABLISHMENT OF CREDIT

When, for Applicant's convenience, City provides service to the Applicant before credit is established and the Applicant fails to establish credit in accordance with this rule, service may be terminated after notice is given in accordance with these regulations.

Credit can be established if the Applicant:

- a. is the owner with a substantial equity, of value satisfactory to City, in the Premises to be served; or
- b. makes a deposit to secure payment of bills as prescribed in Rule 7; or
- c. furnishes a qualified guarantor to secure payment of Applicant's City bills; or
- d. has been a Customer of City for a similar type of service within the past two years, and during the last twelve consecutive months of that prior service, Customer has had not more than two past due bills as defined in Rules 8 and 11. The periodic bill for such previous service must equal at least 50 percent of the estimated bill amount(s) for the new service, and provided further, that the credit of Applicant is unimpaired in the opinion of City; or
- e. otherwise establishes credit to the satisfaction of City; and
- f. has paid all bills for nonresidential electric service previously supplied to Applicant by City.

B. RE-ESTABLISHMENT OF CREDIT

1. An Applicant who previously has been a Customer of City, and whose electric service has been discontinued by City during the last twelve (12) months of that prior service because of nonpayment of bills, may be required to re-establish credit.
 - a. A Customer who fails to pay bills before they become past due and who further fails to pay such bills within five days after presentation of a discontinuance of service notice for nonpayment of bills, may be required to pay said bills and re-establish credit by depositing the amount established by City. A deposit may be required regardless of whether or not service has been discontinued for such nonpayment.

ELECTRIC RULE 7—DEPOSITS

A. AMOUNT OF DEPOSIT

1. ESTABLISHMENT OF CREDIT

- a. Residential accounts: The amount of deposit required to establish credit shall be twice the average monthly bill as estimated by City.
- b. Nonresidential accounts: The amount of deposit required to establish credit shall be twice the maximum monthly bill as estimated by City.
- c. Residential and nonresidential accounts: The amount of deposit taken to establish credit shall be subject to adjustment upon request by the Customer or upon review by City.

2. RE-ESTABLISHMENT OF CREDIT

Should the Customer's payment history with the City warrant it, the City may require the Customer to re-establish credit by paying a re-establishment deposit. The amount of deposit required to re-establish credit will be twice the maximum monthly bill as determined by City.

B. RETURN OF DEPOSIT

1. City may refund a Customer's deposit by draft or by applying the deposit to the Customer's account. If the Customer establishes service at a new location, City may retain the deposit for such new account, subject to the conditions of Sections B.3 and B.4 below.
2. Upon discontinuance of service, City will refund the Customer's deposit or the balance thereof that is in excess of unpaid bills for service furnished by City.
3. When the Customer's credit is otherwise established, City will refund the deposit either upon the Customer's request for return of the deposit or upon review by City.
4. City will review the Customer's account at the end of the first twelve- (12) months that the deposit is held and each month thereafter. After the Customer has had not more than two past due bills during the twelve (12) months prior to any such review, and has not had service temporarily or permanently discontinued for nonpayment of bills during such period, the deposit will be refunded in accordance with this section.
5. Deposits cannot be used to offset past due bills or to avoid or delay discontinuance of service.

C. INTEREST ON DEPOSIT

1. City will pay interest on deposits, except as provided below. Interest shall be calculated on a daily basis, and compounded at the end of each calendar month, from the date fully paid to the date of refund by check or credit to the Customer's account. The interest rate applicable in each calendar month may vary and shall be equal to 1/12th of the interest rate on commercial paper (prime, 3 months) for the previous month as reported in the Federal Reserve Statistical Release, G.13, or its successor publication; except that when a refund is made within the first fifteen (15) days of a calendar month, the interest rate applicable in the previous month shall be applied for the elapsed portion of the month in which the refund is made.
2. No interest will be paid if service is temporarily or permanently discontinued for nonpayment of bills.
3. No interest will be paid for those months where the bill is paid after the due date (late pay or over date).

ELECTRIC RULE 8—NOTICES

Any notice pursuant to City's rules may be given to the Customer in writing. Written notice is effective when it is either: (1) presented to the Customer, or (2) mailed to the Customer at the address where the Customer is receiving service, or (3) mailed to the customer at the mailing address provided by the Customer, or (4) delivered by door hanger at the address where the Customer is receiving service. City may also provide the Customer with verbal notice in person or by telephone. Any notice pursuant to City's rules from the Customer or the Customer's authorized agent may be given to City by telephone, in person, or in writing. Verbal notice is acceptable unless written notice is requested by City or required by the rules.

A. NOTICES OF TERMINATION OF SERVICE FOR NONPAYMENT

Monthly bills for residential service are due and payable upon presentation and will be considered past due if payment is not received by City within fifteen (15) days after the bill is mailed to the Customer. Deposit requests are due and payable when request for service is made. When a deposit is billed, it will be considered past due if payment is not received by City within fifteen (15) days after the deposit request is mailed. If the past due amount is not paid, service may be terminated for nonpayment in accordance with Rule 11. A Field Notification Charge may appear on your next bill if City posts a collection notice at your Premises. If a termination order is processed for your account due to nonpayment, payment of the balance in full, plus a Collection Processing Fee and Deposit may be required prior to restoration of service. The Processing Fee may be charged whether or not electric service is actually terminated if the arrears balance is paid after the payment deadline has passed. Unpaid closing bills may be reported or forwarded to a credit reporting agency.

1. 10-DAY NOTICE

When a bill for service or deposit request has become past due, City will mail the Customer a notice that service may be terminated for nonpayment in 10 calendar days.

2. 24-HOUR NOTICE

When the past due balance on a 10-day notice is unpaid, City will make a reasonable attempt to contact an adult residing at the service address either by telephone or in person at least 24 hours prior to terminating service.

3. NOTICE OF TERMINATION OF SERVICE FOR NONPAYMENT OF PAYMENT ARRANGEMENT AGREEMENT

When City and the Customer enter into a payment arrangement agreement and the Customer does not abide by the terms of the agreement, in whole or in part, City will give the Customer at least 24 hours notice by telephone or in person prior to terminating service for nonpayment.

B. NOTICES FOR UNPAID CLOSING BILLS

Closing bills are due and payable upon presentation and will be considered past due if payment is not received by City within fifteen (15) days after the closing bill is mailed to the Customer. When City determines that the Customer has an open account for City service at one location and an unpaid closing bill in the Customer's name for City service at another location, City may transfer the unpaid closing bill to the open account, except that the unpaid closing bills for nonresidential service may not be transferred to a residential account. Before the Customer's open account may be terminated for nonpayment of the closing bill, the Customer will be given notices in accordance with Section A of this Rule.

ELECTRIC RULE 9—RENDERING AND PAYMENT OF BILLS

A. BILLS PREPARED AT REGULAR INTERVALS

Bills for electric service will be rendered at regular intervals. All bills will be based on meter registration, except as provided in Section C below, or as may otherwise be provided in City's rules. Meters will be read as nearly as possible at regular intervals. Except as otherwise stated, the regular billing period will be once each month. Due to Sundays and holidays and other factors, it is not always possible to read meters on the same day of each month.

B. PRO RATA CORRECTION

Opening and closing bills rendered will be computed in accordance with the rate schedule applicable to that service, unless otherwise provided in this rule, or in the applicable rate schedule. The basic charge, customer charge, the amount of energy blocks, demand blocks, etc., and the service charge, demand charge, or minimum charge will be prorated on the basis of the number of days in the period in question to the total number of days in the subject month. However, where daily equivalents are used, there will be no pro rata correction. Instead, the calculation shall use the number of days in the billing period multiplied by the daily equivalent charge.

When one or more regularly scheduled meter readings have been missed, the proration factor for the next regularly scheduled meter reading shall be 1.000 times the number of monthly billing cycles in the period. When an interim bill based on a special reading for a period other than 27 to 33 days has been issued during the interval since the last regularly scheduled meter reading, the proration factor for the regularly scheduled bill shall be the factor derived above, less the proration factor applied to the interim bill. However, where daily equivalents are used, there will be no pro rata correction. Instead, the calculation shall use the number of days in the billing period by the daily equivalent charge.

C. ESTIMATED BILLS

If, because of unusual conditions or for reasons beyond its control, City is unable to read the Customer's meter on the scheduled reading date, City may bill the Customer for estimated consumption during the billing period, and make any necessary corrections when a reading is obtained. Estimated consumption for this purpose will be calculated considering the Customer's prior usage, City's experience with other customers of the same class in that area, and the general characteristics of the Customer's operations. Adjustments for any underestimate or overestimate of a Customer's consumption will be reflected on the first regularly scheduled bill rendered and based on an actual reading following the period of inaccessibility.

D. READINGS OF SEPARATE METERS NOT COMBINED

For the purpose of making charges, each meter upon the Customer's Premises will be considered separately, and the readings of two or more meters will not be combined, except as follows:

1. Where combinations of meter readings are specifically provided for in rate schedules; or
2. Where City's operating convenience or necessity shall require the installation of two or more meters upon the Customer's Premises instead of one meter.

E. BILLS DUE ON PRESENTATION

Bills for electric service are due and payable upon presentation. Payments shall be received at the office of City, or by an authorized agent of City.

F. CLOSING BILL PAYABLE ON PRESENTATION

Removal bills, special bills, bills rendered on vacation of Premises, or bills rendered to persons discontinuing the service, shall be due and payable upon presentation. Bills for connection or reconnection of service and payments for deposits or to re-establish credit as required under the rules of City shall be paid before service will be connected or reconnected.

G. RETURNED CHECK CHARGE

If a check, tendered in payment of amounts owing City, is not honored by a bank and is returned to City unpaid, City will add to the Customer's bill a charge for processing each such returned check consistent with these rules. Where service is subject to discontinuance under Rule 11, the returned check charge shall be included in the total amount due and payable.

H. FIELD NOTIFICATION AND COLLECTION PROCESSING FEES

City will require payment of a Collection Processing Fee when an authorized City representative makes a field call to a Customer's Premises to discontinue electric service in accordance with Rule 11 for nonpayment of a past due billing. City will also assess the Collection Processing Fee when an authorized City representative makes a field call to discontinue electric service for nonpayment of a deposit that was requested in accordance with Rule 6.

Where service is discontinued under the provisions of Rule 11, City will require payment of the balance in full, the balance of any unpaid closed accounts, plus any assessed Field Notification Charges, Collection Processing Fees and Deposits prior to restoration of service.

If the Customer makes payment in full or makes acceptable payment arrangements in order to avoid discontinuance of service, City may still assess the Processing Fee.

The City may assess a Field Notification Charge when notification must be made due to nonpayment. Generally these notifications are in the form of a door hanger left at the Customer's Premises. The Field Notification Charge is in addition to any Collection Processing Fees that may apply.

I. LATE PAYMENT CHARGE

A late payment charge of 0.9% per month will be applied to the total unpaid balance of a Customer Account if the Customer's payment is not received by the date indicated on the Customer Account billing.

J. ACCUMULATIVE AMOUNT DUE

City reserves the right to accumulate bills until the total amount due exceeds \$2.00.

ELECTRIC RULE 10—DISPUTED BILLS

A. CORRECTNESS OF BILL

If the correctness of a bill is questioned or disputed by a Customer, an explanation should be promptly requested from the Customer Service Center. If the bill is determined to be incorrect, a corrected bill will be issued.

B. BILL REVIEW PROCEDURE

A Customer who has initiated a complaint or requested an investigation shall be given an opportunity for review of his complaint by the City Utility Hearing Board.

1. After review, when a Customer and City agree on the amount of the bill, City will determine and advise the Customer: (a) if a payment arrangement to pay the unpaid balance is warranted, or (b) the date the unpaid balance of his account must be paid. If a payment arrangement is warranted and agreed to by the Customer, service will not be discontinued for nonpayment for any Customer complying with such payment arrangement agreement, provided the Customer also keeps current on his account for utility service as charges accrue in each subsequent billing period. If the Customer fails to comply with any such payment arrangement agreement, service shall be subject to discontinuance for nonpayment of bills as provided Rule 11.
2. After review, when a Customer and City fail to agree on the amount of the bill, and upon review, City has determined to its satisfaction that the bill is correct, City will inform the Customer that:
 - a. City has completed its investigation and review.
 - b. In lieu of paying the disputed bill, Customer may deposit with the City Council at its local office, the amount claimed by City to be due. A check or other form of remittance for such deposit should be made payable to the City Council. A Customer who is unable to deposit the full amount in dispute for a bill covering a period in excess of 90 days shall deposit an amount equal to 90 days at the average disputed charge per day of the disputed bill.
 - c. The Customer shall submit the disputed bill and a statement setting forth the basis for the dispute of the amount billed. The Board will not, however, accept deposits when the dispute appears to be over matters that do not directly relate to the accuracy of the bill. Such matters include the quality of a utility's service, general level of rates, pending rate applications, and sources of fuel and power. Disputes over termination policy will be resolved in accordance with Rule 11, which does not require such a deposit.
 - d. Upon receipt of the deposit, the Board will notify City, review the basis of the billed amount, and advise both parties of its findings and disburse any deposit in accordance therewith.

- e. Service will not be discontinued for nonpayment of the disputed bill when deposit has been made with the Board or notice of inability to pay per Rule 5 pending the outcome of the Board's review.
- f. Failure of the Customer to submit a dispute to the Board in accordance with this Rule above will warrant discontinuance of service in accordance with Rule 11.
- g. If, before completion of the Board's review, additional bills become due which the Customer also wishes to dispute, he should follow the procedures set forth in this Rule with regard to the additional amounts claimed by City to be due. Failure to follow the procedures in this Rule will warrant discontinuance of service in accordance with Rule 11.
- h. Subsequent bills, not in dispute, rendered prior to the settlement of the disputed bill, will be due and payable in accordance with Rules 9 and 11.

ELECTRIC RULE 11—DISCONTINUANCE AND RESTORATION OF SERVICE

If City terminates or refuses to restore service to a Customer or any other person for any of the reasons or upon any of the grounds stated herein, City shall incur no liability whatsoever to said Customer or person or to any other Customers or persons.

A. CUSTOMER REQUEST TO TERMINATE LIABILITY FOR PAYMENT FOR SERVICE

When a Customer wants to terminate liability for payment for service, the Customer shall give City not less than two days notice and state the date on which the termination is to become effective. The Customer may be held responsible for service furnished at the Premises until two days after receipt of such notice by City, or until the date of termination specified in the notice, whichever date is later.

B. TERMINATION OF SERVICE FOR NONPAYMENT—WEEKENDS AND HOLIDAYS

Service will not be terminated for nonpayment of bills or deposit requests on Saturdays, Sundays, legal holidays or on days when the offices of City are closed to the public.

C. TERMINATION OF SERVICE FOR NONPAYMENT OF BILLS OR DEPOSIT REQUESTS

Monthly bills are due and payable upon presentation and will be considered past due if payment is not received by City within 15 days after the bill is mailed to the Customer. Deposit requests are due and payable when request for service is made. When a deposit is billed, it will be considered past due if payment is not received by City within 15 days after the deposit request is mailed to the Customer. Customers who fail to pay their bills within this time period are subject to service disconnection.

D. FAILURE TO ESTABLISH OR RE-ESTABLISH CREDIT

When City provides service to an Applicant before credit is established or continues service to a Customer pending re-establishment of credit, and the Applicant/Customer fails to establish or re-establish credit, any and all services the Customer is receiving may be terminated after notice has been given. City will not restore the Customer's service until the Customer has complied with the requirements to establish or re-establish credit.

E. TERMINATION OF SERVICE FOR NONPAYMENT OF BILLS AT OTHER LOCATIONS

Any and all services the Customer is receiving may be terminated for nonpayment of a bill for service previously supplied by City to the same Customer at another location after the Customer has been given notices of termination, except that residential service shall not be terminated for nonpayment of a bill for any other class of service. Nonresidential service may be terminated for nonpayment of a bill for any class of service. Service shall

not be terminated for nonpayment within 15 days after establishment of service at the new location. If the Customer is receiving service at more than one location, any or all services may be terminated with proper notice for nonpayment of any bill at any location for City service.

F. TERMINATION OF SERVICE—RETURNED CHECKS

When the Customer has received notice of termination and a check tendered in payment of the past due bill or deposit request for service is returned unpaid, City may terminate service. When the Customer has received a 10-day notice of termination, the notice will remain in effect, and collection action will continue. When the Customer has received a 24-hour notice of termination, the notice will remain in effect, and service may be terminated without further notice.

G. UNSAFE APPARATUS OR CONDITION

1. City may deny or terminate service to the Customer immediately and without notice when:
 - a. City determines that the Premises wiring, or other electrical equipment, or the use of either, is unsafe, or endangers City's service facilities; or
 - b. The Customer threatens to create a hazardous condition; or
 - c. Any governmental agency, authorized to enforce laws, ordinances or regulations involving electric facilities and/or the use of electricity, notifies City in writing that the Customer's facilities and/or use of electricity is unsafe or not in compliance with applicable laws, ordinances, or regulations. City does not assume the responsibility of inspecting or repairing the Customer's facilities, appliances or other equipment for receiving or using service, or any part thereof. In the event the Customer has knowledge that the service is in any way defective, it is the Customer's responsibility to notify City at once. City shall not be liable or responsible for any plumbing, appliances, facilities, or apparatus beyond the point of delivery, which it does not own or maintain in accordance with these rules.

H. SERVICE DETRIMENTAL TO OTHER CUSTOMERS

City will not supply service to a Customer operating equipment, which is considered by City to be detrimental to either the service of other City Customers or to City. City will terminate service and refuse to restore service to any Customer who continues to operate such equipment after receiving notification from City to cease.

I. UNAUTHORIZED USE

1. City may terminate service without notice for unauthorized use of service as defined in Rule 17.2. When the Customer's service has been terminated under this section, City may refuse to restore service until:
 - a. the unauthorized use has ceased, and
 - b. City has received full compensation for all charges authorized in Rule 17.2.
2. City may terminate and refuse to restore service if the acts of the Customer or conditions on the Premises indicate intent to deny City full compensation for services rendered, including, but not limited to, any act which may result in a denial of service. City shall provide the Customer with the reasons for such termination and/or refusal to restore service. When the Customer's service has been terminated under this section, City may refuse to restore service until:
 - a. the acts and/or the conditions described above have ceased or have been corrected to City's satisfaction, and
 - b. City has received full compensation for all charges resulting from the Customer's acts or the conditions on the Premises.

J. NONCOMPLIANCE WITH CITY'S RATES

Unless otherwise specifically provided, City may terminate service to a Customer for noncompliance with any of City's rules if the Customer fails to comply within five days after the City's presentation of written notification of noncompliance to the Customer. The Customer shall comply with City's rules before service will be restored.

K. REVOCATION OF PERMISSION TO USE PROPERTY

If City's service facilities and/or a Customer's wiring to the meter are installed on property other than the Customer's property and the owner of such property revokes permission to use it, City will have the right to terminate service upon the date of such revocation. If service is terminated under these conditions, the Customer may have service restored under the provisions of City's line and service extension rules.

L. CHARGES FOR TERMINATION AND/OR RESTORATION OF SERVICE

1. City may require payment of the entire amount due, including the past due amount and current charges, payment of a deposit or additional deposit in accordance with Rule 7, and payment of other charges indicated herein, prior to restoring service to accounts which have been terminated for nonpayment.
2. City will require a returned check charge for processing a check, which is returned to City unpaid.

3. City will require payment of a Collection Processing Fee when a City representative makes a field call to a Customer's Premises to terminate service for nonpayment of bills or deposit.
4. City will require payment of a Collection Processing Fee per connection before restoring service that has been terminated for nonpayment of bills, to prevent fraud, or for failure to comply with City's rules. If the Customer requests that service be restored outside of regular business hours, an additional charge per connection may apply. Refer to the Chart of Charges and Fees for amounts of applicable charges.
5. In addition, City may charge and collect any unusual costs incidental to the termination or restoration of service, which have resulted from the Customer's action or negligence.
6. Service wrongfully terminated will be restored without charge.

ELECTRIC RULE 12—RATES AND OPTIONAL RATES

A. EFFECTIVE RATES

The rates to be charged by and paid to City for electric service will be the rates legally in effect, approved by the City Council, and on file with the Electric Utility Division, Department of Public Works. Complete schedules of all rates in effect will be kept at all times in City Utility's local office, where they will be available for public inspection. Unless stated otherwise on the rate schedules themselves, City's rate schedules are only applicable for service supplied entirely by City.

B. ESTABLISHING RATE SCHEDULES FOR NEW CUSTOMERS

At the time of application for service, City will, based on information provided by the Applicant, ensure that the Applicant is placed on an applicable rate schedule approved by the City Council. Thereafter, City will take such measures as may be practical to provide the Customer with information regarding rate schedules or options applicable to the Customer's class of service.

C. CHANGING RATE SCHEDULES

City may not be required to make more than one change in rate schedules within a twelve-month period unless a new rate schedule is approved or the Customer's operating conditions have changed sufficiently to warrant a change in rate schedule.

Changes in rate schedules will take effect starting with the next regular meter reading date or meter change date following receipt of the Customer's request to change the rate schedule, unless (1) the rate schedule states otherwise, (2) a written agreement between City and the Customer specifies another date, or (3) the required metering equipment is unavailable. In those cases, the change of schedule will take effect on the date stated in the schedule or agreement, or the date the metering equipment is available. It is the Customer's responsibility to request another schedule or option if the Customer's connected load, hours of operation, type of business or type of service have changed. Where the Customer changes equipment or operation without notifying City, City assumes no responsibility for advising the Customer of other rate options available to the Customer as a result of the Customer's equipment/operation changes.

D. NOTIFYING CUSTOMERS OF NEW RATE SCHEDULES

Where City establishes new rate schedules, City shall take such measures as may be practical to advise affected Customers of the availability of the new rate schedules.

E. ENERGY COST ADJUSTMENT

The energy charge is based upon the percentage of the energy being provided by the Department of Water Resources to the investor owned utility on the billing date of each monthly billing and will be adjusted each month. These adjustments could result in slight decreases or increase in the energy charge.

ELECTRIC RULE 13—TEMPORARY SERVICE

A. ESTABLISHMENT OF TEMPORARY SERVICE

City shall, if no undue hardship to its existing Customers will result therefrom, furnish temporary service under the following conditions:

1. The Applicant shall pay, in advance or otherwise as required by City, the estimated cost installed plus the estimated cost of removal, less the estimated salvage of the facilities necessary for furnishing service.
2. The Applicant shall establish credit as required by Rule 6, except that the amount of deposit prescribed in Rule 7 shall not exceed the estimated bill for the duration of service.

B. CHANGE TO PERMANENT STATUS & REFUNDS

1. If service to the electrical machinery or apparatus as originally installed, or its equivalent, is supplied to a temporary Customer on a continuous, intermittent or seasonal basis for a period of 36 consecutive months from the date electric service first was delivered under this rule, the Customer shall be classified as permanent. The payment made in excess of that required for permanent service or under the line extension rule for permanent Customers shall be refunded, provided the Customer then complies with all of the rules applicable to electric service.
2. If at any time the character of a temporary Customer's operations changes so that, in the opinion of City, the Customer may be classified as permanent, the amount of payment made in excess of that required for permanent service immediately shall be refunded to the Customer under the provisions of this section.

ELECTRIC RULE 14—SHORTAGE OF SUPPLY AND INTERRUPTION OF DELIVERY

City will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of electric energy to the Customer, but does not guarantee continuity or sufficiency of supply. City will not be liable for interruption or shortage or insufficiency of supply, or any loss or damage of any kind of character occasioned thereby City will not be liable for interruption or shortage or insufficiency of supply. If same is caused by inevitable accident, act of God, fire, strikes, riots, war, or any other cause except that arising from its failure to exercise reasonable diligence. City, whenever it shall find it necessary for the purpose of making repairs or improvements to its system, will have the right to suspend temporarily the delivery of electric energy. In case of shortage of supply and during the period of such shortage, City will make such apportionment of its available supply of energy among its customers as shall be ordered or directed from time to time by the State of California, acting either directly or by a power administrator or other official appointed by it for that purpose. In the absence of such order or direction, City will, in times of shortage, apportion its available supply of energy among all customers in the most reasonable manner possible.

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS

APPLICABILITY: This rule is applicable to extension of electric distribution lines of City's standard voltages (less than 50 kV) necessary to furnish Permanent electric service to Applicants and will be made in accordance with the following provisions:

A. GENERAL

1. EXTENSION BASIS

- a. **Design:** City will be responsible for planning, designing, and engineering extensions using City's standards for material, design, and construction. The Applicant will furnish all necessary plot plans, utility plans, street improvement plans, tract maps and electric loads for the design of the system.

The Applicant may design the electrical Distribution Lines using qualified design firms approved by the City. The system will be designed in accordance with the City's standards and the final design will be approved by the City. Ownership of Applicant's final design and as-built documents shall be transferred to City upon completion of work.

- b. **Ownership:** The facilities installed under the provisions of this rule, shall be owned, operated, and maintained by City, except for substructures and enclosures that are on, under, within, or part of a building or structure.
- c. **Private Lines:** City shall not be required to serve any Applicant from extension facilities that are not owned, operated, and maintained by City.

2. EXTENSION LOCATIONS

- a. **Rights Of Way:** City will own, operate and maintain extension facilities only;
- 1) along public streets, alleys, roads, highways and other publicly dedicated ways and places which City has the legal right to occupy, and
 - 2) along public lands and private property across which rights of way and permits satisfactory to City may be obtained without cost to or condemnation by the City.
- b. **Normal Route Of Line:** The length and normal route of an extension will be determined by City and shall be considered as the distance along the shortest, most practical, available, and acceptable route which is clear of obstructions from City's nearest permanent and available distribution facility to the point from which the service facilities will be connected.

3. UNDERGROUND EXTENSIONS

Underground extensions shall be installed where required to comply with applicable laws and ordinances or similar requirements of governmental authorities having jurisdiction and where City maintains or desires to maintain underground distribution facilities.

4. OVERHEAD EXTENSIONS

Overhead extensions may be installed only where underground extensions are not required by other jurisdictions and as approved by City.

5. SPECIAL OR ADDED FACILITIES

Any special or added facilities City agrees to install at the request of Applicant will be installed at Applicant's expense in accordance with Rule 2— Description of Service.

6. TEMPORARY SERVICE

Facilities installed for temporary service or for operations of speculative character or questionable permanency shall be made in accordance with the fundamental installation and ownership provisions of this rule, except that all charges shall be made under the provisions of Rule 13—Temporary Service.

7. SERVICES

Service facilities connected to the Distribution Lines to serve an Applicant's Premises will be installed, owned and maintained as provided in Rule 16—Service Extensions.

8. STREET LIGHTS AND AREA LIGHTS

Streetlights, area lights, and other associated facilities shall be installed in accordance with the service provisions of the applicable street light schedule.

9. CONTRACTS

Each Applicant requesting an extension will be required to execute a written contract(s), prior to City performing its work on the extension. Such contracts shall be in the form on file with the Electric Utility Division, Department of Public Works.

B. INSTALLATION RESPONSIBILITIES

1. UNDERGROUND EXTENSIONS

- a. Applicant Responsibility: In accordance with City's design, specifications, and requirements, Applicant is responsible for;
- 1) Excavation: All necessary trenching, backfilling, compaction and other digging as required as well as any pavement cutting or repair.
 - 2) Substructures and Conduits: Furnishing, installing, and upon acceptance by City, conveying to City the ownership of all necessary installed Substructures and Conduits, including Feeder and Service Conduits and related Substructures required to extend to and within subdivisions and developments.
 - 3) Protective Structures: Furnishing, installing, and upon acceptance by City, conveying to City the ownership of all necessary Protective Structures.
 - 4) Safety Barriers and Measures: Applicant is responsible for providing safety barriers, signs, and other suitable means to protect public from potential injuries arising from construction of underground extension.
- b. City Responsibility: City is responsible for installing cables, switches, transformers, and other distribution facilities as required to complete the extension.

The Applicant may install the system in accordance with the City's design and construction standards using qualified electrical contractors approved by the City.

2. OVERHEAD EXTENSIONS

City is responsible for installing all facilities required for a pole line extension at the Applicants expense and only where underground extensions are not required.

3. PERFORMED WORK

Where requested by Applicant and mutually agreed upon, City may perform that portion of the new extension work normally installed by Applicant, provided Applicant pays City its total estimated installed cost. Upon completion of the work, the difference between the estimated and actual cost of the work will be refunded or billed to the Applicant as appropriate.

C. CONTRIBUTIONS OR ADVANCES BY APPLICANT

1. CASH ADVANCE

A cash advance will be required from every Applicant. If the scope of the work lends itself to progress payments in the sole judgment of the city, such progress payments will be considered by the City. The cash advance will be equal to the City's total estimated installed cost to complete an extension including transformers and meters. Upon completion of the work, the difference between the estimated and actual cost of the work will be refunded or billed to the Applicant as appropriate.

Applicant shall contribute or advance, before the start of City's construction, the following;

- a. **Underground Non-Refundable Amount:** Applicant's contribution is the portion of the City's total estimated installed cost, to complete the underground extension including transformers and meters for;
 - 1) **Cabling:** The estimated installed cost of any necessary cabling installed by City to complete the underground extension. This includes the cost of conversion of existing single-phase lines to three-phase lines, if required; plus
 - 2) **Substructures:** City's estimated value of substructures installed by Applicant and deeded to City as required.
 - 3) The cost of cabling and substructures installed and/or paid for by a previous Customer or developer in anticipation of providing service to the current Customer or development.
- b. **Underground Refundable Amount:**
 - 1) The cost of cabling and substructures in anticipation of providing service to a future Customer or developer. Such costs will be refunded at the time they are collected from the future Customer or developer in accordance with this Rule.
- c. **Overhead Non-Refundable Amount:** Applicant's contribution is the portion of the City's total estimated installed cost to complete the overhead extension including transformers and meters;
 - 1) **Pole Line;** All necessary facilities required for an overhead extension and, if required, the conversion of existing single-phase lines to three-phase lines; plus

- 2) Transmission Underbuilds; City's total estimated installed cost of the underbuild, where all or a portion of an overhead extension is to be constructed on existing poles.
- d. Other Non-Refundable Amounts: Applicant's non-refundable amount includes the City's estimated value of excavation, conduits, and protective structures required by City for the extension. The applicant will pay the City for the cost of inspection of any facilities installed by the applicant.
- e. NOTE: ITCC is not a component in City's costs.

4. JOINT APPLICANTS

The total contribution or advance from a group of Applicants will be apportioned among the members of the group in such manner as they may mutually agree.

5. PAYMENT ADJUSTMENTS

Excess Facilities: If the loads provided by Applicant(s) result in City having installed facilities which are in excess of those needed to serve the actual loads, and City elects to reduce such excess facilities, Applicant shall pay City its estimated total costs to remove, abandon, or replace the excess facilities, less the estimated salvage of any removed facilities.

D. SPECIAL CONDITIONS

1. FACILITY RELOCATION OR REARRANGEMENT

Any relocation or rearrangement of City's existing facilities, at the request of, or to meet the convenience of an Applicant or Customer, and agreed upon by City, normally shall be performed by City. In all instances, City shall abandon or remove its existing facilities, at the option of City. Applicant or Customer shall be responsible for the costs of all related relocation, rearrangement and removal work.

ELECTRIC RULE 16—SERVICE EXTENSIONS

APPLICABILITY: This rule is applicable to both (1) City service facilities that extend from City's distribution line facilities to the service delivery point, and (2) service related equipment required of Applicant on Applicant's Premises to receive electric service.

A. GENERAL

1. DESIGN

City will be responsible for planning, designing, and engineering its Service Extension using City's standards for design, materials and construction. City will allow Applicant's design with City's approval.

2. SERVICE FACILITIES

City's service facilities shall consist of (a) primary or secondary underground or overhead service conductors, (b) poles conduits, sleeves, pedestals, pads, or structures to support service conductors, and service transformers, (c) City-owned metering equipment, and (d) other City-owned service related equipment.

3. OWNERSHIP OF FACILITIES

Service facilities installed under the provisions of this rule shall be owned, operated, and maintained by City if they are (a) located in the street, road or franchise area of City, (b) installed by City under on Applicant's Premises for the purpose of the delivery of electric energy to Applicant, or installed by Applicant under the provisions of this rule, and conveyed to City.

4. PRIVATE LINES

City shall not be required to connect service facilities to or serve any Applicant from electric facilities that are not owned, operated, and maintained by City.

5. SPECIAL OR ADDED FACILITIES

Any special or added facilities City installs at the request of Applicant, will be installed at Applicant's expense in accordance with Rule 2-Description of Service.

6. TEMPORARY SERVICE FACILITIES

Service facilities installed for temporary service or for operations of speculative character or questionable permanency shall be made in accordance with the fundamental installation and ownership provisions of this rule, except that all charges shall be made under the provisions of Rule 13-Temporary Service.

7. STREET LIGHTS AND AREA LIGHTS

Streetlight and area light services and other associated facilities shall be installed in accordance with the service provisions of the applicable street light schedule.

8. CONTRACTS.

Each Applicant requesting service may be required to execute a written contract(s) prior to City performing its work to establish service. Such contracts shall be in the form on file with the Public Works Department, Electric Utility Division office.

9. DISTRIBUTION LINE EXTENSIONS

Whenever City's distribution system is not complete to the point designated by City where the service extension is to be connected to City's distribution system, the extension of distribution line facilities will be installed in accordance with Rule 15-distribution line extensions.

10. RIGHTS-OF-WAY

Rights-of-way or easements may be required by City to install service facilities on Applicant's property to serve only Applicant.

- a. Service Facilities: If the service facilities must cross property owned by a third party to serve Applicant, City may, at its option, install such service facilities after appropriate rights-of-way or easements, satisfactory to City, are obtained without cost to City; or
- b. Distribution Line Extensions: If City's facilities installed on Applicants property or third-party property, will be or are designed to serve adjacent property, then City may, at its option, install its facilities under Rule 15, after appropriate rights-of-way or easements, satisfactory to City, are obtained without cost to City.
- c. Clearances: Any necessary rights-of-way or easements for City's facilities shall have provisions to maintain legal and operational clearances from adjacent structures.

B. METERING FACILITIES

For revenue billing, electric service shall be individually metered to each tenant in a building or group of buildings or other development on a single Premises with multiple tenants or enterprises (such as, but not limited to a commercial business, a school campus, or shopping center complex). Alternative metering arrangements as determined by City may be allowed only as specified in these rules and applicable rate schedules.

C. SERVICE EXTENSIONS

1. GENERAL LOCATION

The location of the service extension facilities shall be approved by the City as follows:

- a. Franchise Area: From the point of connection at the distribution line to Applicant's nearest property line abutting upon any street, highway, road, or right-of-way, along which it already has, or will install distribution facilities; and,
- b. Private Property: On private property, along the shortest, most practical and available route (clear of obstructions) as necessary to reach a service delivery point designated by City.

2. NUMBER OF SERVICE EXTENSIONS

City will not normally provide more than one service extension, including associated facilities, either overhead or underground, for any one building or group of buildings, for a single enterprise on a single Premises, except;

- a. Tariff Schedules: Where otherwise allowed or required under City's tariff schedules; or,
- b. City Convenience: At the option of and as determined by City, for its operating convenience, consistent with engineering design for different voltage and phase classification, or when replacing an existing service; or,
- c. Ordinance: Where required by ordinance or other applicable law, for such things as fire pumps, fire alarm systems, etc; and,
- d. Other: City may charge for additional services provided under this paragraph, as special or added facilities.

3. UNDERGROUND INSTALLATIONS

Underground Service Extensions will be installed;

- a. Underground Required: Underground service extensions (1) shall be installed where required to comply with applicable tariff schedules, laws, ordinances, or similar requirements of governmental authorities having jurisdiction, and (2) may be necessary as determined by City where Applicant's load requires a separate transformer installation of 75 kVA or greater.

- b. Underground Optional: An underground service extension may be installed in an area where it is not otherwise required and when requested by Applicant and agreed upon by City.

4. UNUSUAL SITE CONDITIONS

In cases where Applicant's building is located a considerable distance from the available distribution line or where there is an obstruction or other deterrent obstacle or hazard such as plowed land, ditches, or inaccessible security areas between City's distribution line and Applicant's building or facility to be served that would prevent City from prudently installing, owning, and maintaining its service facilities, City may, at its discretion, waive the normal service delivery point location. In such cases, the service delivery point will be at such other location on Applicant's property as may be mutually agreed upon; or, alternatively, the service delivery point may be located at or near Applicant's property line as close as practical to the available distribution line.

D. RESPONSIBILITIES FOR NEW SERVICE EXTENSIONS

1. APPLICANT RESPONSIBILITY

In accordance with City's design, specifications, and requirements for the installation of service extensions, and subject to City's inspection and approval, Applicant is responsible for;

- a. Clear Route: Providing (or paying for) a route on any private property that is clear of obstructions which would inhibit the construction of either underground or overhead service extensions.
- b. Excavation: All necessary trenching, backfilling, and other digging as required including permit fees.
- c. Conduit And Substructures:
 - 1) Furnishing and installing all conduits (including pull wires) and substructures on Applicant's Premises.
 - 2) Installing (or paying for) any Conduits and Substructures in City's franchise area (or rights-of-way, if applicable) as necessary to install the service extension.
 - 3) Conveying ownership to City upon acceptance of those conduits and substructures not on Applicant's Premises.
- d. Protective Structures: Furnishing, installing, owning, and maintaining all necessary protective structures as specified by City for City's facilities on Applicant's Premises

- e. Applicant's Facility Design and Operation: Applicant shall be solely responsible to plan, design, install, own, maintain, and operate facilities and equipment beyond the service delivery point (except for City's metering facilities) in order to properly receive and utilize the type of electric service available from City. Refer to Rule 2 for a description, among other things, of;
- 1) Available service delivery voltages and the technical requirements and conditions to qualify for them,
 - 2) Customer utilization voltages,
 - 3) Load balancing requirements,
 - 4) Requirements for installing electrical protective devices,
 - 5) Loads that may cause service interference to others, and
 - 6) Motor starting limitations.
- f. Required Service Equipment: Applicant shall, at its sole liability, risk, and expense, be responsible to furnish, install, own, maintain, inspect, and keep in good and safe condition, all facilities of any kind or character on Applicant's Premises that are not the responsibility of City but are required by City for Applicant to receive service. Such facilities shall include but are not limited to the overhead or underground termination equipment, conduits, service entrance conductors from the service delivery point to the location of City's metering facilities, connectors, meter sockets, meter and instrument transformer housing, service switches, circuit breakers, fuses, relays, wireways, metered conductors, machinery and apparatus of any kind or character. Detailed information on City's service equipment requirements will be furnished by City. The Applicant shall provide all service conduit (s) from City's franchise area to City's metering facilities.
- g. Coordination Of Electrical Protective Devices: When, as determined by City, Applicant's load is of sufficient size as to require coordination of response time characteristics between Applicant's electrical protective devices (circuit breakers, fuses, relays, etc.) and those of City's, it shall be Applicants responsibility to provide such coordination in accordance with Rule 2.
- h. Liability: City shall incur no liability whatsoever, for any damage, loss or injury occasioned by;
- 1) Applicant-owned equipment or Applicant's transmission and delivery of energy; or,
 - 2) The negligence, omission of proper protective devices, want of proper care, or wrongful act of Applicant, or any agents, employees, or licensees of

Applicant, on the part of Applicant in installing, maintaining, using, operating, or interfering with any such conductors, lines, machinery, or apparatus.

- i. Facility Tampering: Applicant shall provide a suitable means acceptable to City for placing its seals on meter rings and covers of service enclosures and instrument transformer enclosures which protect unmetered energized conductors installed by Applicant. All City-owned meters and enclosure covers will be sealed only by City's authorized employees and such seals shall be broken only by City's authorized employees. However, in an emergency, City may allow a public authority or other appropriate party to break the seal. Any unauthorized tampering with City-owned seals or connection of Applicant-owned facilities to unmetered conductors at any time is prohibited and is subject to the provisions of Rule 11 - Discontinuance and Restoration of Service for unauthorized use.
- j. Transformer Installations On Applicant's Premises: Transformer installations on Applicant's Premises shall be as specified by City and in accordance with the following applicable provisions;
 - 1) Space For Transformers: Applicant shall provide space on Applicant's Premises at a location approved by City for a standard transformer installation (including any necessary equipment access for operation, and ancillary equipment such as switches, capacitors, and electric protective equipment, where required) if (a) in an overhead area, City determines that the load to be served is such that a separate transformer installation is required, or (b) if City determines that the installation of a padmounted or subsurface transformer of any size is required on Applicant's Premises to serve only Applicant.
 - 2) Padmounted Equipment: In City's standard installation, Applicant shall furnish, install and convey ownership to City for substructures and any required protective structures specified by City for the proper installation of the transformer, switches, capacitors, and other equipment as determined by City.
 - 3) Single Utility-Owned Customer Substation: When City elects, for its operating convenience, to supply Applicant from a transmission line and install a City-owned substation on Applicant's Premises, Applicant shall furnish, install and convey ownership to City the necessary site improvements as specified by City for the proper installation of the transformer. Such improvements shall include but are not limited to a concrete pad or foundation and grounding system. Applicant shall own and maintain all facilities not specifically conveyed to City yet associated with the service, such as fences and gates, access road, grading, and paving as

required. Detailed information on City's requirements for a single Customer substation will be furnished by City.

- k. Transformer Room Or Vault: Where Applicant requests and City approves the installation of the transformer(s) in a vault or room on Applicant's Premises, rather than City's standard padmounted installation;
 - 1) The room or vault on Applicant's Premises shall be furnished, installed, owned, and maintained by Applicant and shall meet City's specifications for such things as access, operational and safety clearances ventilation, drainage, grounding system, etc.
 - 2) If space cannot be provided on Applicant's Premises for the installation of a transformer on either a pad or in a room or vault, a vault will be installed at Applicant's expense in the street near the property line. It shall be Applicant's responsibility to install (or pay for) such vault if not restricted by governmental authority having jurisdiction and Applicant shall convey ownership of the vault to City upon its acceptance. The additional facilities shall be treated as special or added facilities under the provisions of Rule 2.
 - 3) All the additional costs as well as ongoing maintenance shall be paid by Applicant for special or added facilities.
- l. Transformer Lifting Requirements: Where City has installed or agrees to install, transformers at locations where City cannot use its standard transformer lifting equipment and special lifting facilities are required to install or remove the transformers on Applicant's Premises, Applicant shall, at its expense, (a) furnish, install, own, and maintain permanent lifting facilities and be responsible for lifting the transformer to and from its permanent position, or (b) provide (or pay for) portable lifting facilities acceptable to City for installing or removing the transformers. Rights-of-way and space provisions shall be provided by Applicant such that access and required clearances from adjacent structures can be maintained. City may require a separate contract for transformer lifting requirements.
- m. Overhead Transformers: In remote areas or in areas not zoned for residential or commercial use or for underground services, pad-mounted transformers are preferred for installation on Applicant's Premises. However, where City determines that it is not practical to install a transformer on a pad, in a room or vault, City may furnish a pole-type structure for an installation not exceeding 500 kVA.

2. BUILDING CODE REQUIREMENTS

Any service equipment and other related equipment owned by Applicant, as well as any vault, room, enclosure, or lifting facilities for the installation of transformers

shall conform with applicable laws, codes, and ordinances of all governmental authorities having jurisdiction.

3. REASONABLE CARE

Applicant shall exercise reasonable care to prevent City's Service Extensions, other City facilities, and meters owned by City or others, on the Applicant's Premises from being damaged or destroyed, and shall refrain from interfering with City's operation of the facilities and shall notify City of any obvious defect. Applicant may be required to provide and install suitable mechanical protection (barrier posts, etc.) as required by City.

4. CITY RESPONSIBILITY

- a. Meter And Service: City will install, own, and maintain the following service facilities as applicable after Applicant meets all requirements to receive service:
 - 1) Underground Service: A set of service conductors to supply permanent service from the distribution line source to the service delivery point approved by City.
 - 2) Riser Material: Any necessary pole riser material for connecting underground services to an overhead distribution line.
 - 3) Overhead Service: A set of overhead service conductors to supply permanent service from a distribution line source to a suitable support at the service delivery point approved by City. Support shall be of a type and located such that service wires may be installed in accordance with good engineering practice and in compliance with all applicable laws, ordinances, rules, and regulations including those governing clearances and points of attachment.
 - 4) Metering: When the meter is owned by City, City will be responsible for the necessary instrument transformers where required, test facilities, meters, associated metering equipment, and the metering enclosures when City elects to locate metering equipment at a point that is not accessible to Applicant.
- b. Special Conduit Installations: City shall own and maintain service conduits only if: (1) they are located in the same trench with distribution facilities, and (2) when it is necessary to locate Conduits on property other than that owned by Applicant, as determined by City, or as may be required by local authorities.
- c. Cable-In-Conduit: In those cases where City elects to install its service conductors using pre-assembled cable-in-conduit (CIC), the conduit portion will be considered a part of the conductor installation provided by City.

- d. Government Inspection: City will establish electric service to Applicant following notice from the governmental authority having jurisdiction that the Applicant-owned facilities have been installed and inspected in accordance with any applicable laws, codes, ordinances, rules, or regulations, and are safe to energize.

5. CITY-PERFORMED WORK

- a. Where requested by Applicant and mutually agreed upon, City may perform that portion of the new service extension work normally the responsibility of Applicant provided Applicant pays City its estimated installed cost.

E. PAYMENTS BY APPLICANT

1. PAYMENTS

Applicant is responsible to pay City the following non-refundable costs as applicable under this rule and in advance of City commencing its work:

- a. Pole Riser: City's estimated installed costs of any riser materials on its poles.
- b. City's total estimated installation cost (including appurtenant facilities, such as connectors, service conductors, service transformers, metering equipment, and the conduit portion of CIC cable).
- c. Other: City's total estimated cost of any work it performs that is Applicant's responsibility or performs for the convenience of the Applicant.

F. EXISTING SERVICE FACILITIES

1. SERVICE REINFORCEMENT

- a. City-Owned: When City determines that its existing service facilities require replacement, the existing service facilities shall be replaced as new service facilities under the provisions of this rule.
- b. Applicant-Owned: When City determines that existing Applicant-owned service facilities require replacement; such replacement or reinforcement shall be accomplished under the provisions for a new service installation.

2. SERVICE RELOCATION OR REARRANGEMENT

- a. City Convenience: When, in the judgment of City, the relocation or rearrangement of a service, including City-owned transformers, is necessary for the maintenance of adequate service or for the operating convenience of City,

City normally will perform such work at its own expense, except for Applicant convenience or damage.

- b. Applicant Convenience: Any relocation or rearrangement of City's existing service facilities at the request of Applicant (aesthetics, building additions, remodeling, etc.) and agreed upon by City shall be performed in accordance with this rule except that Applicant shall pay City its total estimated costs. In all instances, City shall abandon or remove its existing facilities at the option of City rendered idle by the relocation or rearrangement.

3. IMPAIRED ACCESS AND CLEARANCES

Whenever City determines that access or clearance to service facilities is impaired, correction action consistent with this section shall be enforced.

- a. Access: Its existing service facilities have become inaccessible for inspecting, operating, maintenance, meter reading, or testing.
- b. Clearances: A hazardous condition exists or any of the required clearances between the existing service facilities and any object becomes impaired under any applicable laws, ordinances, rules, or regulations of City or public authorities, then the following applies;

Corrective Action: Applicant or owner shall, at Applicant's or owner's expense, either correct the access or clearance infractions or pay the total estimated cost to relocate its facilities to a new location which is acceptable to City. Applicant or owner shall also be responsible for the expense to relocate any equipment, which Applicant owns and maintains. Failure to comply with corrective measures within a reasonable time may result in discontinuance of service.

4. OVERHEAD TO UNDERGROUND SERVICE CONVERSIONS

Applicant's Convenience: Where overhead services are replaced by underground services for Applicant's convenience, Applicant shall perform all excavation, furnish and install all substructures, and pay City its total estimated installed cost to complete the new service and remove the overhead facilities.

5. DAMAGED FACILITIES

When City's facilities are damaged by others, the repair will be made by City at the expense of the party responsible for the damage. Applicants are responsible for repairing their own facilities.

6. SUBDIVISION OF PREMISES

When City's service facilities are located on private property and such private property is subsequently subdivided into separate Premises with ownership divested to other than Applicant or Customer, the subdivider is required to provide City with adequate rights-of-way satisfactory to City for its existing facilities and to notify property owners of the subdivided Premises of the existence of the rights-of-way. When adequate rights-of-way are not granted as a result of the property subdivision, City shall have the right, upon written notice to Applicant, to discontinue service without obligation or liability. The existing owner, Applicant, or Customer shall pay to City the total estimated cost of any required relocation or removal of City's facilities. A new electric service will be re-established in accordance with the provisions of this Rule for new service and the provisions of any other applicable City rules.

7. EXCEPTIONAL CASES

When the application of this rule appears impractical or unjust to either party, or ratepayers, City or Applicant may refer the matter to the City for a special ruling or for approval of special conditions, which may be mutually agreed upon.

ELECTRIC RULE 17—METER TESTS AND ADJUSTMENT OF BILLS FOR METER ERROR

A. METER TESTS

Any Customer may, upon not less than five (5) working days notice, request that the City to test the Customer's electric meter. No payment or deposit will be required from the Customer for such tests except when a Customer requests a meter test within six months after the date of installation of the meter, or more often than once each six months thereafter. A deposit to cover the reasonable cost of the test will be required of the Customer, in accordance with the following:

1. Meter installed without current or potential transformer(s)
2. Meter installed with current transformer(s) or with current and potential transformer(s)

The deposit will be returned to the Customer if the meter is found to register more than two percent fast or slow under conditions of normal operation as a result of the test. A Customer shall have the right to request the City conduct the test in the Customer's presence or in the presence of an expert or other representative appointed by the Customer. A report giving the result of the test will be supplied to the Customer within a reasonable time after completion of the test. All electric meters will be tested at the time of their installation. No meter will be placed in service or allowed to remain in service which has an error in registration in excess of two percent under conditions of normal operation. On newly purchased single-phase meters, the manufacturer's test may be used as the installation test when City's random tests indicate satisfactory test results for a particular manufacturer and for a particular shipment.

B. ADJUSTMENT OF BILLS FOR METER ERROR

Meter error is the incorrect registration of energy usage resulting from a malfunctioning or defective meter. It does not include incorrect registration attributable to billing error or unauthorized use. Where, as the result of a meter test, a meter is found to be non-registering or incorrectly registering, City may render an adjusted bill to the Customer for the amount of any undercharge without interest. City shall issue a refund or credit to the Customer for the amount of any overcharge, without interest, computed back to the date that is determined to be when the meter error commenced, except that the period of adjustment shall not exceed the limits set forth in this Rule. Such adjusted bill shall be computed as follows:

1. FAST METER

If a meter, for either residential or nonresidential service, is found to be registering more than two percent fast, City will calculate the amount of the overcharge for refund to the Customer based on the corrected meter. When it is known that the

period of meter error was less than six months, the overcharge will be calculated for only those months during which the meter error occurred.

2. SLOW METER

If a meter, for either residential or nonresidential service is found to be registering more than two percent slow, City may bill the Customer for the amount of the undercharge based on the corrected usage or based upon the City's estimate of the energy usage for a period of up to three years. However, if it is known that the period of meter error was less than three years, the undercharge will be calculated for only those months during which the meter error occurred.

3. NONREGISTERING METER

If a meter, for either residential or nonresidential service is found to be non-registering, City may bill the Customer for the amount of the undercharge based on City's estimate of the electricity used, but not registered, for a period of up to three years. However, if it is known that the period the meter was non-registering was less than three years, the undercharge will be calculated for only those months the meter was non-registering. Where the condition of the meter renders it un-testable (no-test), City may bill the Customer based upon the City's estimate of the unmetered energy. Nothing herein is intended to limit City's authority to bill the Customer for unauthorized use.

4. NO-TEST METERS

Where the condition of the meter renders it untestable (no-test), City may bill the Customer based upon the City's estimate of the unmetered energy. Nothing herein is intended to limit City's authority to bill the Customer for unauthorized use.

5. ESTIMATED USAGE

When regular, accurate meter readings are not available or when the electric usage has not been accurately measured, City may estimate the Customer's energy usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use, and the general characteristics of the Customer's load and operation.

ELECTRIC RULE 17.1– ADJUSTMENTS OF BILLING ERROR

A. BILLING ERROR DEFINED

Billing error is the incorrect billing of an account due to an error by City or the Customer, which results in incorrect charges to the Customer. Billing error includes, but is not limited to, incorrect meter reads or clerical errors, wrong daily billing factor, incorrect voltage discount, wrong connected load information, crossed meters, incorrect billing calculation, incorrect meter multiplier, incorrect rate, or City’s failure to provide the Customer with notice of rate options. Field error, including, but not limited to, installing the meter incorrectly and failure to close the meter potential or test switches, is also considered billing error. Billing error which does not entitle the Customer to a credit adjustment includes failure of the Customer to notify City of changes in the Customer’s connected load, equipment or operation or failure of the Customer to take advantage of any noticed rate option or condition of service for which the Customer becomes eligible subsequent to the date of application for service.

B. ADJUSTMENT OF BILLS FOR BILLING ERROR

Where City overcharges or undercharges a Customer as the result of a billing error, City may render an adjusted bill to the Customer for the amount of any undercharge, without interest, and shall issue a refund or credit to the Customer for the amount of any overcharge, without interest, in accordance with the procedures and limitations set forth below.

1. BILLING ERROR RESULTING IN OVERCHARGES TO THE CUSTOMER

If either a residential or nonresidential service is found to have been overcharged due to billing error, City will calculate the amount of the overcharge, for refund to the Customer, for a period of up to three years. However, if it is known that the period of billing error was less than three years, the overcharge will be calculated for only those months during which the billing error occurred.

2. BILLING ERRORS RESULTING IN UNDERCHARGES TO THE CUSTOMER

If either residential or nonresidential service is found to have been undercharged due to a billing error, City may bill the Customer for the amount of the undercharge for a period of up to three years. However, if it is known that the period of billing error was less than three years, the undercharge will be calculated for only those months during which the billing error occurred.

ELECTRIC RULE 17.2— ADJUSTMENT OF BILLS FOR UNAUTHORIZED USE

A. UNAUTHORIZED USE DEFINED

Unauthorized use includes, but is not limited to:

1. Unmetered use of electricity resulting from unauthorized connections, alterations or modifications to electric supply lines and/or electric meters;
2. Placing conductive material in the meter socket to allow energy to flow from the line side of the service to the load side of the service without a meter (cut in flat);
3. Installing an unauthorized electric meter in place of the meter assigned to the account;
4. Inverting or otherwise repositioning the meter, thereby altering registration;
5. Damaging the meter to stop registration, thereby rendering it untestable;
6. Using City service without compensation to City in violation of applicable rules and/or statutes.

Where City determines there has been unauthorized use, City shall have the legal right to recover, from any Customer or other person who caused or benefited from such unauthorized use, the estimated undercharges for the full period of such unauthorized use. The estimated bill shall indicate unauthorized use for the most recent three years and, separately, unauthorized use beyond the three-year period for collection as provided by law. Nothing in this rule shall be interpreted as limiting City's rights under any provisions of any applicable civil or criminal law.

B. INVESTIGATION OF UNAUTHORIZED USE

Where unauthorized use is suspected by City, City shall promptly conduct an investigation.

Whenever possible, City shall collect and preserve evidence in the matter, test the meter, and obtain connected load information from the Customer or other person to be charged for the unauthorized energy use. If the meter cannot be tested or connected load data cannot be obtained, City will document the reasons why such information could not be obtained. Whenever possible, upon completion of City's investigation, the Customer or other person being billed will be advised of City's claim and shall be given an opportunity to respond to the claim. Notwithstanding any provisions herein, City reserves all evidentiary privileges and rights.

C. ADJUSTMENT OF BILLS FOR UNAUTHORIZED USE**1. ACTUAL USAGE**

If accurate meter readings are available for the unauthorized use period, they will be used for billing purposes.

2. ESTIMATED USAGE

If accurate meter readings are not available or the electric usage has not been accurately measured, City may estimate the energy usage for billing purposes. The basis for the estimate may include, without limitation and for illustrative purposes only, the physical condition of the metering equipment, available meter readings, records of historical use, or the general characteristics of the load and operation of the service being billed, with consideration of any appropriate seasonal adjustment. Estimated bills for the unauthorized use period may be determined by City based on one or more of the following, without limitation and for illustrative purposes only:

- a. Accurately metered use from a remote check meter;
- b. The known percent error in metering attributable to the unauthorized use condition as determined by City;
- c. Accurately metered use prior to the onset of the unauthorized use;
- d. The equipment and hours of operation of the service being billed;
- e. Accurately metered subsequent use of 30 days or more (if available);
- f. Annual use profile of at least five Customers with similar connected load, Premises load profiles, hours of energy use, etc. (percent of annual use); or
- g. Other reasonable and supportable billing methodology when none of the aforementioned billing techniques is appropriate under the circumstances.

D. INTEREST ON BILLS FOR UNAUTHORIZED USE

1. City may bill and collect interest at a rate of 10 percent per annum on unauthorized use billings from the date the unauthorized use commenced, and/or
2. City may bill and collect interest at a rate of 10 percent per annum on amortized repayment agreements.

E. RECOVERY OF ASSOCIATED COSTS

City may recover the associated costs resulting from the unauthorized use including, but not limited to, investigative and equipment damage costs.

F. DISCONTINUANCE OF SERVICE

In accordance with the provisions of Rule 11, where City determines unauthorized use is occurring, City may refuse service or discontinue service. If any part of the Customer's wiring or any other equipment, or the use thereof, is determined by City or any other authorized public agency to be unsafe or in violation of applicable laws, ordinances, rules or regulations of public authorities, or is in such condition as to endanger City's service facilities, City may discontinue service. City may also discontinue service in accordance with the provisions of its rules, for nonpayment of a delinquent billing for unauthorized use, and for associated costs, including nonpayment under an amortization agreement.

ELECTRIC RULE 21— GENERATING FACILITY INTERCONNECTIONS

A. APPLICABILITY

Applicability: This Rule describes the Interconnection, operating and Metering requirements for Generating Facilities to be connected to Moreno Valley Utility's (MVU) Distribution System. Subject to the requirements of this Rule, MVU will allow the Interconnection of Generating Facilities with its Distribution System.

Definitions: Capitalized terms used in this Rule, and not defined in MVU's other rules, shall have the meaning ascribed to such terms in Section H of this Rule. The definitions set forth in Section H of this Rule shall only apply to this Rule and may not apply to MVU's other rules.

Consistent with IEEE 1547: This rule has been revised to be consistent with the requirements of ANSI/IEEE1 1547-2003 *Standard for Interconnecting Distributed Resources with Electric Power Systems* (IEEE 1547). In some cases, IEEE 1547 language has been adopted directly, in others, IEEE 1547 requirements were interpreted and this rule's language was changed to maintain the spirit of both documents.

Language from IEEE 1547 that has been adopted directly (as opposed to paraphrased language or previous language that was determined to be consistent with IEEE 1547) is followed by a citation that lists the Clause from which the language derived. For example, IEEE 1547-4.1.1 is a reference to Clause 4.1.1.

In the event of any conflict between this rule and any of the standards listed herein, the requirements of this rule shall take precedence.

B. GENERAL RULES, RIGHTS AND OBLIGATIONS

1. **AUTHORIZATION REQUIRED TO OPERATE:** A Producer must comply with this Rule, execute an Interconnection Agreement with MVU, and receive MVU's express written permission before Parallel Operation of its Generating Facility with MVU's Distribution System. MVU shall apply this Rule in a non-discriminatory manner and shall not unreasonably withhold its permission for Parallel Operation of Producer's Generating Facility with MVU's Distribution System.
2. **SEPARATE AGREEMENTS REQUIRED FOR OTHER SERVICES:** A Producer requiring other electric services from MVU including, but not limited to, Distribution Service during periods of curtailment or interruption of the Producer's Generating Facility, enter into agreements with MVU for such services in accordance with MVU's City Council-approved rules.
3. **SERVICE NOT PROVIDED WITH INTERCONNECTION:** Interconnection with MVU's Distribution System under this Rule does not provide a Producer any

rights to utilize MVU's System for the transmission, distribution, or wheeling of electric power, nor does it limit those rights.

4. **COMPLIANCE WITH LAWS, RULES AND TARIFF SCHEDULES:** A Producer shall ascertain and comply with applicable City Council-approved rules of MVU; applicable Federal Energy Regulatory Commission (FERC) approved rules, rules and regulations; and any local, state or federal law, statute or regulation which applies to the design, siting, construction, installation, operation, or any other aspect of the Producer's Generating Facility and Interconnection Facilities.
5. **DESIGN REVIEWS AND INSPECTIONS:** MVU shall have the right to review the design of a Producer's Generating and/or Interconnection Facilities and to inspect a Producer's Generating and/or Interconnection Facilities prior to the commencement of Parallel Operation with MVU's Distribution System. MVU may require a Producer to make modifications as necessary to comply with the requirements of this Rule. MVU's review and authorization for Parallel Operation shall not be construed as confirming or endorsing the Producer's design or as warranting the Generating and/or Interconnection Facilities' safety, durability or reliability. MVU shall not, by reason of such review or lack of review, be responsible for the strength, adequacy or capacity of such equipment.
6. **RIGHT TO ACCESS:** A Producer's Generating Facility and/or Interconnection Facilities shall be reasonably accessible to MVU personnel as necessary for MVU to perform its duties and exercise its rights under its rules approved by the City Council, and any Interconnection Agreement between MVU and the Producer.
7. **CONFIDENTIALITY OF INFORMATION:** Any information pertaining to Generating and/or Interconnection Facilities provided to MVU by a Producer shall be treated by MVU in a confidential manner. MVU shall not use information contained in the Application to propose discounted rates to the customer unless authorized to do so by the Customer or the information is provided to MVU by the Customer through other means.
8. **PRUDENT OPERATION AND MAINTENANCE REQUIRED:** A Producer shall operate and maintain its Generating Facility and Interconnection Facilities in accordance with Prudent Electrical Practices and shall maintain compliance with this Rule.
9. **CURTAILMENT AND DISCONNECTION:** MVU may limit the operation or disconnect or require the disconnection of a Producer's Generating Facility from MVU's Distribution System at any time, with or without notice, in the event of an Emergency, or to correct Unsafe Operating Conditions. MVU may also limit the operation or disconnect or require the disconnection of a Producer's Generating Facility from MVU's Distribution System upon the provision of reasonable written notice: 1) to allow for routine maintenance, repairs or modifications to MVU's Distribution System; 2) upon MVU's determination that a Producer's

Generating Facility is not in compliance with this Rule; or 3) upon termination of the Interconnection Agreement. Upon the Producer's written request, MVU shall provide a written explanation of the reason for such curtailment or disconnection.

C. APPLICATION AND INTERCONNECTION PROCESS

1. APPLICATION PROCESS

- a. **Applicant Initiates Contact with MVU:** Upon request, MVU will provide information and documents (such as sample agreements, Application, technical information, listing of Certified Equipment, Initial and Supplemental Review deposit information, applicable tariff schedules and Metering requirements) to a potential Applicant. Unless otherwise agreed upon, all such information shall normally be sent to an Applicant within three (3) business days following the initial request from the Applicant. MVU will establish an individual representative as the single point of contact for the Applicant, but may allocate responsibilities among its staff to best coordinate the Interconnection of an Applicant's Generating Facility.
- b. **Applicant Completes an Application:** All Applicants shall complete and file an Application and supply any relevant additional information requested by MVU. When applicable per Table C.1, an \$800 Initial Review deposit shall be included with the Application.
 - 1) Normally, within 10 business days of receiving the Application, MVU shall acknowledge its receipt and state whether the Application has been completed adequately. If defects are noted, MVU and Applicant shall cooperate in a timely manner to establish a satisfactory Application.
 - 2) The Initial Review deposit shall be waived for Net Energy Metering Applications requesting Interconnection.
 - 3) The deposit associated with the Initial Review will be returned to the Applicant if the Application is rejected by MVU or the Applicant retracts the Application.
 - 4) Applications that are over one year old (from the date of MVU's acknowledgement) without a signed Interconnection Agreement, or a Generating Facility that has not been approved for parallel operation within one year of completion of all applicable review and/or studies are subject to cancellation by MVU; however, MVU may not cancel an Application if the Producer provides reasonable evidence that the project is still active.

- 5) The applicant may propose, and MVU may agree to reduced costs for reviewing atypical Applications, such as Applications submitted for multiple Generators, multiple sites, or otherwise as conditions warrant.
- c. MVU Performs an Initial and Supplemental Review and Develops Preliminary Cost Estimates and Interconnection Requirements.
- 1) Upon receipt of a satisfactorily completed Application and any additional information necessary to evaluate the Interconnection of a Generating Facility, MVU shall perform an Initial Review using the process defined in Section I. The Initial Review determines if: (a) the Generating Facility qualifies for Simplified Interconnection; or (b) the Generating Facility requires a Supplemental Review.
 - 2) MVU shall complete its Initial Review, absent any extraordinary circumstances, within 10 business days after its determination that the Application is complete. If the Initial Review determines the proposed Generating Facility can be Interconnected by means of a Simplified Interconnection, MVU will provide the Applicant with an Interconnection Agreement for Applicant's signature. Upon completion of the Initial Review, the difference between the deposit and the actual cost of the Review will be refunded or billed to the Applicant as appropriate.
 - 3) If the Generating Facility does not pass the Initial Review for Simplified Interconnection as proposed, MVU will notify the applicant and perform a Supplemental Review as described in Section I. Applicant shall pay an additional \$600 deposit for the Supplemental Review, unless the Application is withdrawn. The Supplemental Review will result in MVU providing either: (a) Interconnection requirements beyond those for a Simplified Interconnection, and an Interconnection Agreement for Applicant's signature; or (b) a cost estimate and schedule for an Interconnection Study. The Supplemental Review shall be completed, absent any extraordinary circumstances, within 20 business days of receipt of a completed Application and fees. Upon completion of the Supplemental Review, the difference between the deposit and the actual cost of the Review will be refunded or billed to the Applicant as appropriate.

The Supplemental Review deposit shall be waived for Net Energy Metering Applications requesting Interconnection pursuant to Sections 2827, 2827.8, 2827.9, or 2827.10 of the Public Utilities Code.

- d. When Required, Applicant and MVU Commit to Additional Interconnection Study Steps. When a Supplemental Review reveals that the proposed Generating Facility cannot be Interconnected to MVU's Distribution System by means of a Simplified Interconnection, or that significant Interconnection Facilities installed on MVU's system or Distribution System modifications will be needed to accommodate an Applicant's Generating Facility, MVU and Applicant shall enter into an agreement that provides for MVU to perform additional studies, facility design, and engineering and to provide detailed cost estimates for fixed price or actual cost billing to the Applicant at the Applicant's expense. The Interconnection Study agreement shall set forth MVU's estimated schedule and charges for completing such work. Interconnection Study fees for solar generating facilities up to 1 megawatt (MW) that do not sell power to the grid will be waived up to the amount of \$5,000. Generating Facilities eligible for Net Energy Metering under Public Utilities Code Section 2827, 2827.8, 2827.9, or 2827.10 are exempt from any costs associated with Interconnection Studies.

Table C.1 Summary of Deposits and Exemptions

<u>Facility Type</u>	<u>Initial Review Deposit</u>	<u>Supplemental Review Deposit</u>	<u>Interconnection Study Deposit</u>	<u>Additional Commissioning Test Verification</u> <u>(illustrative range of 2012 Rates)**</u>
Non-Net Energy Metering	\$2,000*	As Specified by MVU	As Specified by MVU	Actual cost
Net Energy Metering (per Public Utilities Code Sections 2827, 2827.8, 2827.9, or 2827.10)	\$0	\$0	\$0	N/A

* Subject to refund pursuant to Section C.1.b.3

** A range of rates is provided here because the actual rate may vary by MVU and will adjust periodically.

Table C.2 Summary of Producer Cost Responsibility for Multiple Tariff Interconnections

Existing Generator	New Generator	Initial Review Deposit		Supplemental Review Deposit		Detailed Interconnection Study Cost		Interconnection Facilities Cost		Distribution System Modifications Cost	
		YES	NO	YES	NO	YES	NO	YES	NO	YES	NO
NEM	Non-NEM	X		X		X		X		Xa	
NEM	NEM		X		X		X	X			X
Non-NEM	NEM		Xb		Xb		Xb	X			Xa,b
Simultaneous NEM and Non-NEM		X		X		X		X		Xa	
a) Proration will be based upon the annual expected energy output (kWh) derived from the nameplate of the generator(s) modified by technology-specific capacity/availability factors of all NEM eligible versus non-NEM eligible generators for the costs that cannot be clearly assigned to either type of tariff.											
b) Change of operating of a non-NEM eligible generator at any time to export is treated as a simultaneous NEM and non-NEM application, resulting in associated costs being allocated to the producer.											

2. INTERCONNECTION PROCESS

- a. Applicant and MVU Enter Into an Interconnection Agreement. MVU shall provide the Applicant with an executable version of the Interconnection Agreement or Net Energy Metering agreement appropriate for the Applicant's Generating Facility and desired mode of operation. These agreements shall set forth MVU and the Applicant's responsibilities, completion schedules, and fixed price or estimated costs for the required work.
- b. Where Applicable, MVU or Producer Installs Required Interconnection Facilities or Modifies MVU's Distribution System. After executing the applicable agreements, MVU or Producer will commence construction/installation of MVU's Distribution System modifications or Interconnection Facilities which have been identified in the agreements. The parties will use good faith efforts to meet schedules and estimated costs as appropriate.
- c. Producer Arranges for and Completes Commissioning Testing of Generating Facility and Producer's Interconnection Facilities. The Producer is responsible for testing new Generating Facilities and associated Interconnection Facilities according to Section J.5 to ensure compliance with the safety and reliability provisions of this Rule prior to being operated in parallel with MVU's Distribution System. For non-Certified Equipment, the Producer shall develop a written testing plan to be submitted to MVU for its review and acceptance. Alternatively, the Producer and MVU may agree to have MVU conduct the required testing at the Producer's expense. Where applicable, the test plan shall include the installation test procedures published by the manufacturer of the generation or Interconnection equipment. Facility testing shall be conducted at a

mutually agreeable time, and depending on who conducts the test, MVU or Producer shall be given the opportunity to witness the tests.

- d. MVU Authorizes Parallel Operation or Momentary Parallel Operation. MVU shall authorize the Producer's Generating Facility for Parallel Operation or Momentary Parallel Operation with MVU's Distribution System, in writing, within 5 calendar days of satisfactory compliance with the terms of all applicable agreements. Compliance may include, but not be limited to, provision of any required documentation and satisfactorily completing any required inspections or tests as described herein or in the agreements formed between the Producer and MVU. A Producer shall not commence Parallel Operation of its Generating Facility with MVU's system unless it has received MVU's express written permission to do so.

For Net Energy Metering Generating facilities, MVU authorization for Parallel Operation shall normally be provided no later than 30 business days following MVU's receipt of 1) a completed Net Energy Metering Application including all supporting documents and required payments; 2) a completed signed Net Energy Metering Interconnection Agreement; and 3) evidence of the Producer's final inspection clearance from the governmental authority having jurisdiction over the Generating Facility. If the 30-day period cannot be met, the MVU shall notify the Applicant and the Commission.

D. GENERATING FACILITY DESIGN AND OPERATING REQUIREMENTS

This section has been revised to be consistent with the requirements of ANSI/IEEE 1547-2003 *Standard for Interconnecting Distributed Resources with Electric Power Systems* (IEEE 1547).

1. General Interconnection and Protective Function Requirements

The Protective Functions and requirements of this Rule are designed to protect MVU's Distribution System and not the Generating Facility. A Producer shall be solely responsible for providing adequate protection for its Generating Facility and Interconnection Facilities. The Producer's Protective Functions shall not impact the operation of other Protective Functions utilized on MVU's Distribution System in a manner that would affect MVU's capability of providing reliable service to its Customers.

- a. **Protective Functions Required:** Generating Facilities operating in parallel with MVU's Distribution System shall be equipped with the following Protective Functions to sense abnormal conditions on MVU's Distribution System and cause the Generating Facility to be automatically disconnected from MVU's Distribution System or to prevent the Generating Facility from being connected to MVU's Distribution System inappropriately:

- 1) Over and under voltage trip functions and over and under frequency trip functions;
- 2) A voltage and frequency sensing and time-delay function to prevent the Generating Facility from energizing a de-energized Distribution System circuit and to prevent the Generating Facility from reconnecting with MVU's Distribution System unless MVU's Distribution System service voltage and frequency is within the ANSI C84.1-1995 Table 1 Range B Voltage Range of 106V to 127V (on a 120V basis), inclusive, and a frequency range of 59.3 Hz to 60.5 Hz, inclusive, and are stable for at least 60 seconds; and
- 3) A function to prevent the Generating Facility from contributing to the formation of an Unintended Island, and cease to energize the MVU's Distribution System within two seconds of the formation of an Unintended Island.

The Generating Facility shall cease to energize MVU's Distribution System for faults on MVU's Distribution System circuit to which it is connected (IEEE1547-4.2.1). The Generating Facility shall cease to energize MVU's Distribution circuit prior to re-closure by MVU' Distribution System equipment (IEEE1547-4.2.2).

- b. Momentary Paralleling Generating Facilities. With MVU's approval, the transfer switch or scheme used to transfer the Producer's loads from MVU's Distribution System to Producer's Generating Facility may be used in lieu of the Protective Functions required for Parallel Operation.
- c. Suitable Equipment Required. Circuit breakers or other interrupting equipment located at the Point of Common Coupling must be Certified or "Listed" (as defined in Article 100, the Definitions Section of the National Electrical Code) as suitable for their intended application. This includes being capable of interrupting the maximum available fault current expected at their location. Producer's Generating Facility and Interconnection Facilities shall be designed so that the failure of any single device or component shall not potentially compromise the safety and reliability of MVU's Distribution System. The Generating Facility paralleling-device shall be capable of withstanding 220% of the Interconnection Facility rated voltage (IEEE1547-4.1.8.3). The Interconnection Facility shall have the capability to withstand voltage and current surges in accordance with the environments defined in IEEE Std C62.41.2-2002 or IEEE Std C37.90.1-2002 as applicable and as described in J.3.e (IEEE1547-4.1.8.2).
- d. Visible Disconnect Required. When required by MVU's operating practices, the Producer shall furnish and install a ganged, manually-operated isolating switch (or a comparable device mutually agreed upon by

MVU and the Producer) near the Point of Interconnection to isolate the Generating Facility from MVU's Distribution System. The device does not have to be rated for load break nor provide over-current protection.

The device must:

- 1) allow visible verification that separation has been accomplished. (This requirement may be met by opening the enclosure to observe contact separation.)
- 2) include markings or signage that clearly indicate open and closed positions.
- 3) be capable of being reached quickly and conveniently 24 hours a day by MVU personnel for construction, operation, maintenance, inspection, testing or reading, without obstacles or requiring those seeking access to obtain keys, special permission, or security clearances.
- 4) be capable of being locked in the open position.
- 5) be clearly marked on the submitted single line diagram and its type and location approved by the MVU prior to installation. If the device is not adjacent to the Point of Common Coupling, permanent signage must be installed at an MVU-approved location providing a clear description of the location of the device.

Generating Facilities with Non-Islanding inverters totaling one (1) kilovolt-ampere (kVA) or less are exempt from this requirement.

- e. Drawings Required. Prior to Parallel Operation or Momentary Parallel Operation of the Generating Facility, MVU shall approve the Producer's Protective Function and control diagrams. Generating Facilities equipped with Protective Functions and a control scheme previously approved by MVU for system-wide application or only Certified Equipment may satisfy this requirement by reference to previously approved drawings and diagrams.
 - f. Generating Facility Conditions Not Identified. In the event this Rule does not address the Interconnection conditions for a particular Generating Facility, MVU and Producer may agree upon other arrangements.
2. PREVENTION OF INTERFERENCE: The Producer shall not operate Generating or Interconnection Facilities that superimpose a voltage or current upon MVU's Distribution System that interferes with MVU operations, service to MVU customers, or communication facilities. If such interference occurs, the Producer must diligently pursue and take corrective action at its own expense after being

given notice and reasonable time to do so by MVU. If the Producer does not take corrective action in a timely manner, or continues to operate the facilities causing interference without restriction or limit, MVU may, without liability, disconnect the Producer's facilities from MVU's Distribution System, in accordance with Section B.9 of this Rule. To eliminate undesirable interference caused by its operation, each Generating Facility shall meet the following criteria:

- a. **Voltage Regulation:** The Generating Facility shall not actively regulate the voltage at the Point of Common Coupling while in parallel with MVU's Distribution System. The Generating Facility shall not cause the service voltage at other customers to go outside the requirements of ANSI C84.1-1995, Range A (IEEE1547-4.1.1).
- b. **Operating Voltage Range:** The voltage ranges in Table D.1 define protective trip limits for the Protective Function and are not intended to define or imply a voltage regulation Function. Generating Facilities shall cease to energize MVU's Distribution System within the prescribed trip time whenever the voltage at the Point of Common Coupling deviates from the allowable voltage operating range. The Protective Function shall detect and respond to voltage on all phases to which the Generating Facility is connected.
 - 1) **Generating Facilities (30 kVA or less).** Generating Facilities with a Gross Nameplate Rating of 30 kVA or less shall be capable of operating within the voltage range normally experienced on MVU's Distribution System. The operating range shall be selected in a manner that minimizes nuisance tripping between 106 volts and 132 volts on a 120-volt base (88%-110% of nominal voltage). Voltage shall be detected at either the Point of Common Coupling or the Point of Interconnection.
 - 2) **Generating Facilities (greater than 30 kVA).** MVU may have specific operating voltage ranges for Generating Facilities with Gross Nameplate Ratings greater than 30 kVA, and may require adjustable operating voltage settings. In the absence of such requirements, the Generating Facility shall operate at a range between 88% and 110% of the applicable interconnection voltage. Voltage shall be detected at either the Point of Common Coupling or the Point of Interconnection, with settings compensated to account for the voltage at the Point of Common Coupling, Generating Facilities that are Certified Non-Islanding or that meet one of the options of the Export Screen (Section I.3.b) may detect voltage at the Point of Interconnection without compensation.
 - 3) **Voltage Disturbances.** Whenever MVU's Distribution System voltage at the Point of Common Coupling varies from and remains

outside normal (nominally 120 volts) for the predetermined parameters set forth in Table D-1, the Generating Facility's Protective Functions shall cause the Generator(s) to become isolated from MVU's Distribution System:

Table D.1 Voltage Trip Settings

<u>Voltage at Point of Common Coupling</u>		<u>Maximum Trip Time* # of Cycles</u>	
(Assuming 120 V Base)	% of Nominal Voltage	(Assuming 60Hz Nominal)	Seconds
Less than 60 Volts	Less than 50%	10 Cycles	0.16 Seconds
Greater than or equal to 60 volts but less than 106 volts	Greater than or equal to 50% but less than 88%	120 Cycles	2 Seconds
Greater than or equal to 106 volts but less than 132 volts	Greater than or equal to 88% but less than 110%	Normal Operation	
Greater than or equal to 132 volts but less than 144 volts	Greater than or equal to 110% but less than 120%	60 Cycles	1 Second
Greater than 144Volts	Greater than 120%	10 Cycles	0.16 Seconds

* "Maximum Trip time" refers to the time between the onset of the abnormal condition and the Generating Facility ceasing to energize MVU's Distribution System. Protective Function sensing equipment and circuits may remain connected to MVU's Distribution System to allow sensing of electrical conditions for use by the "reconnect" feature. The purpose of the allowed time delay is to allow a Generating Facility to "ride through" short-term disturbances to avoid nuisance tripping. Set points shall not be user adjustable (though they may be field adjustable by qualified personnel). For Generating Facilities with a Gross Nameplate Rating greater than 30 kVA, set points shall be field adjustable and different voltage set points and trip times from those in Table D.1 may be negotiated with MVU.

- c. Paralleling. The Generating Facility shall parallel with MVU's Distribution System without causing a voltage fluctuation at the Point of Common Coupling greater than $\pm 5\%$ of the prevailing voltage level of MVU's Distribution System at the Point of Common Coupling, and meet the flicker requirements of Section D.2.d. Section J provides technology-specific tests for evaluating the paralleling Function. (IEEE1547-4.1.3)
- d. Flicker. The Generating Facility shall not create objectionable flicker for other customers on MVU's Distribution System. To minimize the adverse voltage effects experienced by other customers (IEEE1547-4.3.2), flicker

at the Point of Common Coupling caused by the Generating Facility should not exceed the limits defined by the "Maximum Borderline of Irritation Curve" identified in IEEE 519-1992 (IEEE Recommended Practices and Requirements for Harmonic Control in Electric Power Systems, IEEE STD 519-1992). This requirement is necessary to minimize the adverse voltage affects experienced by other customers on MVU's Distribution System. Generators may be connected and brought up to synchronous speed (as an induction motor) provided these flicker limits are not exceeded.

- e. Integration with MVU's Distribution System Grounding. The grounding scheme of the Generating Facility interconnection shall not cause over-voltages that exceed the rating of the equipment connected to the MVU's Distribution System and shall not disrupt the coordination of the ground fault protection on the MVU's Distribution System (IEEE1547-4.1.2) (See Section I.3.h).
- f. Frequency: MVU controls system frequency, and the Generating Facility shall operate in synchronism with the MVU's Distribution System. Whenever MVU's Distribution System frequency at the Point of Common Coupling varies from and remains outside normal (nominally 60 Hz) by the predetermined amounts set forth in Table D.2, the Generating Facility's Protective Functions shall cease to energize MVU's Distribution System within the stated maximum trip time.

Table D.2 Frequency Trip Settings

	Frequency Range	Maximum Trip Time [1]
<u>Generating Facility Rating</u>	<u>(Assuming 60Hz Nominal)</u>	<u>(Assuming 60 Cycles per Second)</u>
Less or equal to 30kW	Less than 59.3 Hz Greater than 60.5 Hz	10 Cycles
Greater than 30kW	Less than 57 Hz	10 Cycles
	Less than an adjustable value between 59.8Hz and 57 Hz but greater than 57 Hz. [2]	Adjustable between 10 and 18,000 Cycles. [2, 3]
	Greater than 60.5 Hz	10 Cycles

[1] -"Maximum Trip time" refers to the time between the onset of the abnormal condition and the Generating Facility ceasing to energize MVU's Distribution System. Protective Function sensing equipment and circuits may remain connected to MVU's Distribution System to allow sensing of electrical conditions for use by the "reconnect" feature. The purpose of the allowed time delay is to allow a

Generating Facility to “ride through” short-term disturbances to avoid nuisance tripping. Set points shall not be user adjustable (though they may be field adjustable by qualified personnel). For Generating Facilities with a Gross Nameplate Rating greater than 30 kVA, set points shall be field adjustable and different voltage set points and trip times from those in Table D.2 may be negotiated with MVU.

[2] - Unless otherwise required by MVU, a trip frequency of 59.3 Hz and a maximum trip time of 10 cycles shall be used.

[3] - When a 10 cycle Maximum trip time is used, a second under frequency trip setting is not required.

- g. Harmonics. When the Generating Facility is serving balanced linear loads, harmonic current injection into MVU’s Distribution System at the PCC shall not exceed the limits stated below in Table D.3. The harmonic current injections shall be exclusive of any harmonic currents due to harmonic voltage distortion present in MVU’s Distribution System without the Generating Facility connected (IEEE1547-4.3.3). The harmonic distortion of a Generating Facility located at a Customer's site shall be evaluated using the same criteria as for the Host Loads.

Table D.3 Maximum harmonic current distortion in percent of current (I) [1,2]

Individual harmonic order, h (odd harmonics) [3]	$h < 11$	$11 \leq h < 17$	$17 \leq h < 23$	$23 \leq h < 35$	$35 \leq h$	Total demand distortion (TDD)
Max Distortion (%)	4.0	2.0	1.5	0.6	0.3	5.0

[1] - IEEE1547-4.3.3

[2] - I = the greater of the maximum Host Load current average demand over 15 or 30 minutes without the Generating Facility, or the Generating Facility rated current capacity (transformed to the Point of Common Coupling when a transformer exists between the Generating Facility and the Point of Common Coupling).

[3] - Even harmonics are limited to 25% of the odd harmonic limits above.

- h. Direct Current Injection. Generating Facilities should not inject direct current greater than 0.5% of rated output current into MVU’s Distribution System.
- i. Power Factor. Each Generator in a Generating Facility shall be capable of operating at some point within a power factor range from 0.9 leading to 0.9 lagging. Operation outside this range is acceptable provided the reactive power of the Generating Facility is used to meet the reactive power needs of the Host Loads or that reactive power is otherwise provided under tariff by MVU. The Producer shall notify MVU if it is using the Generating Facility for power factor correction. Unless otherwise agreed upon by the Producer and MVU, Generating Facilities shall automatically regulate power factor, not voltage, while operating in parallel with MVU’s Distribution System.

3. TECHNOLOGY SPECIFIC REQUIREMENTS

- a. Three-Phase Synchronous Generators. For three-phase Generators, the Generating Facility circuit breakers shall be three-phase devices with electronic or electromechanical control. The Producer shall be responsible for properly synchronizing its Generating Facility with MVU's Distribution System by means of either manual or automatic synchronizing equipment. Automatic synchronizing is required for all synchronous Generators that have a Short Circuit Contribution Ratio (SCCR) exceeding 0.05. Loss of synchronism protection is not required except as may be necessary to meet Section D.2.d (Flicker) (IEEE1547-4.2.5) . Unless otherwise agreed upon by the Producer and MVU, synchronous Generators shall automatically regulate power factor, not voltage, while operating in parallel with MVU's Distribution System. A power system stabilization function is specifically not required for Generating Facilities under 10 MW Net Nameplate Rating.
- b. Induction Generators. Induction Generators (except self-excited Induction Generators) do not require a synchronizing Function. Starting or rapid load fluctuations on induction generators can adversely impact MVU's Distribution System's voltage. Corrective step-switched capacitors or other techniques may be necessary and may cause undesirable ferro-resonance. When these counter measures (e.g., additional capacitors) are installed on the Producer's side of the Point of Common Coupling, MVU must review these measures. Additional equipment may be required as determined in a Supplemental Review or an Interconnection Study.
- c. Inverters. Utility-interactive inverters do not require separate synchronizing equipment. Non-utility-interactive or "stand-alone" inverters shall not be used for Parallel Operation with MVU's Distribution System.
- d. Single-Phase Generators. For single-phase Generators connected to a shared single-phase secondary system, the maximum Net Nameplate Rating of the Generating Facilities shall be 20 kVA. Generators connected to a center-tapped neutral 240-volt service must be installed such that no more than 6 kVA of imbalanced power is applied to the two "legs" of the 240-volt service. For Dedicated Distribution Transformer services, the maximum Net Nameplate Rating of a single-phase Generating Facility shall be the transformer nameplate rating.

4. SUPPLEMENTAL GENERATING FACILITY REQUIREMENTS

- a. The maximum solar generation capacity that will be approved to be connected to each meter is up to 50% of the meter minimum daytime load. The meter minimum daytime load will be determined by analyzing one year of historic data, while ignoring any extraordinary events (outages,

partial lights, etc.), unless there have been recent major changes to the daily demand schedule. In that case, the most recent information will be evaluated.

- b. For 12kV distribution circuits with multiple solar projects connected, the maximum solar generation capacity that will be approved will be up to 50% of the total minimum daytime coincident circuit load, including any solar generation previously approved on the circuit. Capacity will be approved on a first come and first serve basis. 50% of the minimum daytime coincident circuit load will be determined by analyzing one year of historic data, while ignoring any extraordinary events (outages, partial lights, etc.), unless there have been recent major changes to the daily demand schedule. In that case, the most recent information will be evaluated.
- c. Fault Detection. A Generating Facility with a short circuit contribution ratio exceeding 0.1 or one that does not cease to energize MVU's Distribution System within two seconds of the formation of an Unintended Island shall be equipped with Protective Functions designed to detect Distribution System faults, both line-to-line and line-to-ground, and shall cease to energize MVU's Distribution System within two seconds of the initiation of a fault.
- d. Transfer Trip. For a Generating Facility that cannot detect Distribution System faults (both line-to-line and line-to-ground) or the formation of an Unintended Island, and cease to energize MVU's Distribution System within two seconds, MVU may require a Transfer Trip system or an equivalent Protective Function.
- e. Reclose Blocking. Where the aggregate Generating Facility capacity exceeds 15% of the peak load on any automatic reclosing device, MVU may require additional Protective Functions, including, but not limited to reclose-blocking on some of the automatic reclosing devices.
- f. The Generating Facility may require additional approvals from other agencies before the Facility is allowed to begin construction.

E. INTERCONNECTION FACILITIES AND DISTRIBUTION SYSTEM MODIFICATIONS

1. SCOPE AND OWNERSHIP OF INTERCONNECTION FACILITIES AND DISTRIBUTION SYSTEM MODIFICATIONS
 - a. Scope. Parallel Operation of Generating Facilities may require Interconnection Facilities or modifications to MVU's Distribution

System (“Distribution System modifications”). The type, extent and costs of Interconnection Facilities and Distribution System modifications shall be consistent with this Rule and determined through the Supplemental Review and/or Interconnection Studies described in Section C.

- b. Ownership. Interconnection Facilities installed on Producer’s side of the Point of Common Coupling may be owned, operated and maintained by the Producer or MVU. Interconnection Facilities installed on MVU’s side of the Point of Common Coupling and Distribution System modifications shall be owned, operated and maintained only by MVU.

2. RESPONSIBILITY OF COSTS OF INTERCONNECTING A GENERATING FACILITY

- a. Review, Study, and Additional Commissioning Test Verification (pre-parallel inspections) Costs. A producer shall be responsible for the reasonably incurred costs of the reviews studies, and additional Commissioning Test verifications (pre-parallel inspections) conducted pursuant to Section C of the Rule. If the initial Commissioning Test verification (pre-parallel inspection) is not successful through no fault of MVU, MVU may impose upon the Producer a cost-based charge for subsequent Commissioning Test verifications (pre-parallel inspections). All Costs for additional Commissioning Test verifications (pre-parallel inspections) shall be paid by Producer within thirty days of receipt of MVU’s invoice. Additional costs, if any, will be specified on the invoice. If the initial Commissioning test (pre-parallel inspection) is not successful through the fault of the MVU, that visit will not be considered the initial Commissioning Test (pre-parallel inspection).
- b. Facility Costs. A Producer shall be responsible for all costs associated with Interconnection Facilities owned by the Producer. The Producer shall also be responsible for any costs reasonably incurred by MVU in providing, operating, or maintaining the Interconnection Facilities and Distribution System modifications required solely for the Interconnection of the Producer’s Generating Facility with MVU’s Distribution System. Generating Facilities eligible for Net Energy Metering under California Public Utilities Code Sections 2827, 2827.8, 2827.9, or 2827.10 are exempt from any costs associated with Distribution System modifications.

- c. Separation of Costs. Should MVU combine the installation of Interconnection Facilities or Distribution System modifications required for the Interconnection of a Generating Facility with modifications to MVU's Distribution System to serve other Customers or Producers, MVU shall not include the costs of such separate or incremental facilities in the amounts billed to the Producer.
3. **INSTALLATION OF INTERCONNECTION FACILITIES AND DISTRIBUTION SYSTEM MODIFICATIONS**
 - a. Agreement Required. The costs for Interconnection Facilities and Distribution System modifications shall be paid by the Producer pursuant to the provisions contained in the Interconnection Agreement.
 - b. Interconnection Facilities and Distribution System Modifications. Except as provided for in Sections E.2.b. and E.3.c. of this Rule, Interconnection Facilities connected to MVU's side of the Point of Common Coupling and Distribution System modifications shall be provided, installed, owned and maintained by MVU at Producer's expense, or may be installed by a third party upon approval by MVU.
 - c. Third-Party Installations. Subject to the approval of MVU, a Producer may at its option employ a qualified contractor to provide and install Interconnection Facilities or Producer paid Distribution System modifications, to be owned and operated by MVU, on MVU's side of the Point of Common Coupling. Such Interconnection Facilities and Distribution System modifications shall be installed in accordance with MVU's design and specifications. Upon final inspection and acceptance by MVU, the Producer shall transfer ownership of such Producer installed Interconnection Facilities or Distribution System modifications to MVU and such facilities shall thereafter be owned and maintained by MVU. The Producer shall pay MVU's reasonable cost of design, administration, and monitoring of the installation for such facilities to ensure compliance with MVU's requirements. The Producer shall also be responsible for all costs associated with the transfer of Producer installed Interconnection Facilities and Distribution System modifications to MVU.

F. METERING, MONITORING AND TELEMETRY

1. **GENERAL REQUIREMENTS:** All Generating Facilities shall be metered in accordance with this Section F and shall meet all applicable standards of MVU

contained in MVU's applicable rules and published MVU manuals dealing with specifications.

2. **METERING BY NON-MVU PARTIES:** The ownership, installation, operation, reading and testing of revenue Metering Equipment for Generating Facilities shall be by MVU.
3. **NET GENERATION OUTPUT METERING (NGOM):** Generating Facilities' customers may be required to install NGOM for evaluation, monitoring and verification purposes, to satisfy applicable CAISO reliability requirements, and for Distribution System planning and operations.

The relevant factors in determining the need for NGOM are as listed below:

- a. Data requirements in proportion to need for information;
- b. Producer's election to install equipment that adequately addresses MVU's operational requirements;
- c. Accuracy and type of required Metering consistent with purposes of collecting data;
- d. Cost of Metering relative to the need for and accuracy of the data;
- e. The Generating Facility's size relative to the cost of the Meter/monitoring;
- f. Other means of obtaining the data (e.g., Generating Facility logs, proxy data etc.);
- g. Requirements under any interconnection Agreement with the Producer.

The requirements in this Section may not apply to Metering of Generating Facilities operating under MVU's Net Energy Metering tariff pursuant to the California Public Utilities Cod Section 2827, et seq. Nothing in this Section F.3 supersedes Section B.4.

4. **POINT OF COMMON COUPLING METERING:** For purposes of assessing MVU charges for retail service, the Producer's PCC Metering shall be a bi-directional meter so that power deliveries to and from the Producer's site can be separately recorded. Alternately, the Producer may, at its sole option and cost, require MVU to install multi-metering equipment to separately record power deliveries to MVU's Distribution System and retail purchases from MVU. Where necessary, such PCC Metering shall be designed to prevent reverse registration.
5. **TELEMETERING:** If the nameplate rating of the Generating Facility is 1 MW or greater, Telemetering equipment at the Net Generator Output Metering location may be required at the Producer's expense. If the Generating Facility is Interconnected to a portion of MVU's Distribution System operating at a voltage below 10 kV, then Telemetering equipment may be required on Generating

Facilities 250 kW or greater. MVU shall only require Telemetry to the extent that less intrusive and/or more cost effective options for providing the necessary data in real time are not available.

6. **LOCATION:** Where MVU-owned Metering is located on the Producer's premises, Producer shall provide, at no expense to MVU, a suitable location for all such Metering Equipment.
7. **COSTS OF METERING:** The Producer will bear all costs of the Metering required by this Rule, including the incremental costs of operating and maintaining the Metering Equipment.

G. DISPUTE RESOLUTION PROCESS

The following procedures will apply for disputes arising from this Rule:

1. The City Council shall have jurisdiction to interpret, add, delete or modify any provision of this Rule or of any agreements entered into between MVU and the Producer to implement this tariff ("The Implementing Agreements") and to resolve disputes regarding MVU's performance of its obligations under its rules, the applicable agreements, and requirements related to the Interconnection of the Producer's Generating or Interconnection Facilities pursuant to this Rule.
2. The dispute shall be submitted in writing by the Producer to MVU. Authorized representatives from both Parties shall meet and confer to try to resolve the dispute. If the Parties cannot resolve the dispute, the dispute will be submitted to the City Council for resolution. Their decision shall be final.
3. Pending resolution of any dispute under this Section, the Parties shall proceed diligently with the performance of their respective obligations under this Rule and the Implementing Agreements, unless the Implementing Agreements have been terminated. Disputes as to the application and implementation of this Section shall be subject to resolution pursuant to the procedures set forth in this Section.

H. DEFINITIONS

The definitions in this Section H are applicable only to this Rule, the Application and Interconnection Agreements.

Anti-Islanding: A control scheme installed as part of the Generating Facility or Interconnection Facilities that senses and prevents the formation of an Unintended Island.

Applicant: The entity submitting an Application for Interconnection pursuant to this Rule.

Application: A Commission-approved standard form submitted to MVU for Interconnection of a Generating Facility.

Certification Test: A test pursuant to this Rule that verifies conformance of certain equipment with Commission-approved performance standards in order to be classified as Certified Equipment. Certification Tests are performed by NRTLs.

Certification; Certified; Certificate: The documented results of a successful Certification Testing.

Certified Equipment: Equipment that has passed all required Certification Tests.

Commissioning Test: A test performed during the commissioning of all or part of a Generating Facility to achieve one or more of the following:

- Verify specific aspects of its performance;
- Calibrate its instrumentation; and
- Establish instrument or Protective Function set-points.

Customer: The entity that receives or is entitled to receive Distribution Service through the MVU's Distribution System.

Dedicated Transformer; Dedicated Distribution Transformer: A transformer that provides electricity service to a single Customer. The Customer may or may not have a Generating Facility.

Device: A mechanism or piece of equipment designed to serve a purpose or perform a function. The term may be used interchangeably with the terms "equipment" and "function" without intentional difference in meaning. See also Function and Protective Function.

Distribution Service: All services required by, or provided to, a Customer pursuant to the approved rules of MVU other than services directly related to the Interconnection of a Generating Facility under this Rule.

Distribution System: All electrical wires, equipment, and other facilities owned or provided by MVU, other than Interconnection Facilities, by which MVU provides Distribution Service to its Customers.

Emergency: An actual or imminent condition or situation, which jeopardizes MVU's Distribution System Integrity.

Field Testing: Testing performed in the field to determine whether equipment meets MVU's requirements for safe and reliable Interconnection.

Function: Some combination of hardware and software designed to provide specific features or capabilities. Its use, as in Protective Function, is intended to encompass a range of implementations from a single-purpose device to a section of software and specific pieces of hardware within a larger piece of equipment to a collection of devices and software.

Generating Facility: All Generators, electrical wires, equipment, and other facilities owned or provided by Producer for the purpose of producing electric power.

Generator: A device converting mechanical, chemical or solar energy into electrical energy, including all of its protective and control Functions and structural appurtenances. One or more Generators comprise a Generating Facility.

Gross Nameplate Rating; Gross Nameplate Capacity: The total gross generating capacity of a Generator or Generating Facility as designated by the manufacturer(s) of the Generator(s).

Host Load: The electrical power, less the Generator auxiliary load, consumed by the Customer, to which the Generating Facility is connected.

Initial Review: The review by MVU, following receipt of an Application, to determine the following: (a) the Generating Facility qualifies for Simplified Interconnection; or (b) if the Generating Facility can be made to qualify for Interconnection with a Supplemental Review determining any additional requirements.

In-rush Current: The current determined by the In-rush Current Test.

Interconnection Agreement: An agreement between MVU and the Producer providing for the Interconnection of a Generating Facility that gives certain rights and obligations to effect or end Interconnection. For the purposes of this Rule, Net Energy Metering or Power Purchase Agreements authorized by the Commission are also defined as Interconnection Agreements.

Interconnection; Interconnected: The physical connection of a Generating Facility in accordance with the requirements of this Rule so that Parallel Operation with MVU's Distribution System can occur (has occurred).

Interconnection Facilities: The electrical wires, switches and related equipment that are required in addition to the facilities required to provide electric Distribution Service to a Customer to allow Interconnection. Interconnection Facilities may be located on either side of the Point of Common Coupling as appropriate to their purpose and design. Interconnection Facilities may be integral to a Generating Facility or provided separately.

Interconnection Study: A study to establish the requirements for Interconnection of a Generating Facility with MVU's Distribution System.

Island; Islanding: A condition on MVU's Distribution System in which one or more Generating Facilities deliver power to Customers using a portion of MVU's Distribution System that is electrically isolated from the remainder of MVU's Distribution System.

Line Section: That portion of MVU's Distribution System connected to a Customer bounded by automatic sectionalizing devices or the end of the distribution line.

Load Carrying Capability: The maximum electrical load that may be carried by a section of MVU's Distribution System consistent with reliability and safety under the circumstances being evaluated.

Metering: The measurement of electrical power in kW and/or energy in kWh, and, if necessary, reactive power in kVAR at a point, and its display to MVU, as required by this Rule.

Metering Equipment: All equipment, hardware, software including meter cabinets, conduit, etc., that are necessary for Metering.

Momentary Parallel Operation: The interconnection of a Generating Facility to the Distribution System for one second (60 cycles) or less.

Nationally Recognized Testing Laboratory (NRTL): A laboratory accredited to perform the Certification Testing requirements under this Rule.

Net Energy Metering: Metering for the receipt and delivery of electricity between the Producer and MVU pursuant to Section 2827, 2827.8, 2827.9, or 2827.10 of the Public Utilities Code.

Net Generation Output Metering: Metering of the net electrical power output in kW or energy in kWh, from a given Generating Facility. This may also be the measurement of the difference between the total electrical energy produced by a Generator and the electrical energy consumed by the auxiliary equipment necessary to operate the Generator. For a Generator with no Host Load and/or Public Utilities Code Section 218 Load (Section 218 Load), Metering that is located at the Point of Common Coupling. For a Generator with Host Load and/or Section 218 Load, Metering that is located at the Generator but after the point of auxiliary load(s) and prior to serving Host Load and/or Section 218 Load.

Net Nameplate Rating: The Gross Nameplate Rating minus the consumption of electrical power of a Generator or Generating Facility as designated by the manufacturer(s) of the Generator(s).

Network Service: More than one electrical feeder providing Distribution Service at a Point of Common Coupling.

Non-Export; Non-Exporting: Designed to prevent the transfer of electrical energy from the Generating Facility to MVU's Distribution System.

Non-Islanding: Designed to detect and disconnect an Unintended Island with matched load and generation. Reliance solely on under/over voltage and frequency trip is not considered sufficient to qualify as Non-Islanding.

Parallel Operation: The simultaneous operation of a Generator with power delivered or received by MVU while Interconnected. For the purpose of this Rule, Parallel Operation

includes only those Generating Facilities that are Interconnected with MVU's Distribution System for more than 60 cycles (one second).

Paralleling Device: An electrical device, typically a circuit breaker, operating under the control of a synchronization function or by a qualified operator to connect an energized generator to an energized electric power system or two energized power systems to each other.

Periodic Test: A test performed on part or all of a Generating Facility/ Interconnection Facilities at pre-determined time or operational intervals to achieve one or more of the following: (1) Verify specific aspects of its performance; (2) Calibrate instrumentation; and (3) Verify and re-establish instrument or Protective Function set-points.

Point of Common Coupling (PCC): The transfer point for electricity between the electrical conductors of MVU and the electrical conductors of the Producer.

Point of Common Coupling Metering: Metering located at the Point of Common Coupling. This is the same Metering as Net Generation Metering for Generating Facilities with no Host Load and/or Section 218 Load.

Point of Interconnection: The electrical transfer point between a Generating Facility and MVU's Distribution System. This may or may not be coincident with the Point of Common Coupling.

Producer: The entity that executes an Interconnection Agreement with MVU. The Producer may or may not own or operate the Generating Facility, but is responsible for the rights and obligations related to the Interconnection Agreement.

Production Test: A test performed on each device coming off the production line to verify certain aspects of its performance.

Protective Function(s): The equipment, hardware and/or software in a Generating Facility (whether discrete or integrated with other functions) whose purpose is to protect against Unsafe Operating Conditions.

Prudent Electrical Practices: Those practices, methods, and equipment, as changed from time to time, that are commonly used in prudent electrical engineering and operations to design and operate electric equipment lawfully and with safety, dependability, efficiency and economy.

Scheduled Operation Date: The date specified in the Interconnection Agreement when the Generating Facility is, by the Producer's estimate, expected to begin operation pursuant to this Rule.

Secondary Network: A network supplied by several primary feeders suitably interlaced through the area in order to achieve acceptable loading of the transformers under

emergency conditions and to provide a system of extremely high service reliability. Secondary networks usually operate at 600 V or lower.

Section 218 Load: Electrical power that is supplied in compliance with California Public Utilities Code Section 218. Public Utilities Code Section 218 defines an “Electric Corporation” and provides conditions under which a transaction involving a Generating Facility would not classify a Producer as an Electric Corporation. These conditions relate to “over-the-fence” sale of electricity from a Generating Facility without using MVU’s Distribution System.

Short Circuit (Current) Contribution Ratio (SCCR): The ratio of the Generating Facility’s short circuit contribution to the short circuit contribution provided through MVU’s Distribution System for a three-phase fault at the high voltage side of the distribution transformer connecting the Generating Facility to MVU’s system.

Simplified Interconnection: Interconnection conforming to the Initial Review requirements under this Rule, as determined by Section I.

Single Line Diagram; Single Line Drawing: A schematic drawing, showing the major electric switchgear, Protective Function devices, wires, Generators, transformers and other devices, providing sufficient detail to communicate to a qualified engineer the essential design and safety of the system being considered.

Special Facilities: As defined in MVU’s Rules governing Special Facilities.

Starting Voltage Drop: The percentage voltage drop at a specified point resulting from In-rush Current. The Starting Voltage Drop can also be expressed in volts on a particular base voltage, (e.g., 6 volts on a 120-volt base, yielding a 5% drop).

Supplemental Review: A process wherein MVU further reviews an Application that fails one or more of the Initial Review Process steps. The Supplemental Review may result in one of the following: (a) approval of Interconnection; (b) approval of Interconnection with additional requirements; or (c) cost and schedule for an Interconnection Study.

System Integrity: The condition under which MVU’s Distribution System is deemed safe and can reliably perform its intended functions in accordance with the safety and reliability rules of MVU.

Telemetry: The electrical or electronic transmittal of Metering data in real-time to MVU.

Transfer Trip: A Protective Function that trips a Generating Facility remotely by means of an automated communications link controlled by MVU.

Type Test: A test performed on a sample of a particular model of a device to verify specific aspects of its design, construction and performance.

Unintended Island: The creation of an island, usually following a loss of a portion of MVU's Distribution System, without the approval of MVU.

Unsafe Operating Conditions: Conditions that, if left uncorrected, could result in harm to personnel, damage to equipment, loss of System Integrity or operation outside pre-established parameters required by the Interconnection Agreement.

I. REVIEW PROCESS FOR APPLICATIONS TO INTERCONNECT GENERATION FACILITIES

1. INTRODUCTION

This Review Process allows for rapid approval for the interconnection of those Generating Facilities that do not require an Interconnection Study. The review process includes a screening to determine if a Supplemental Review is required.

Note: Failure to pass any step of the review process means only that further review and/or studies are required before the Generating Facility can be approved for Interconnection with MVU's Distribution System. It does not mean that the Generating Facility cannot be Interconnected. Though not explicitly covered in the Initial Review Process the Generating Facility shall be designed to meet all of the applicable requirements in Section D.

2. PURPOSE

The review determines the following:

- a. If a Generating Facility qualifies for Simplified Interconnection;
- b. If a Generating Facility can be made to qualify for Interconnection with a Supplemental Review determining any additional requirements; or
- c. If an Interconnection Study is required, the cost estimate and schedule for performing the Interconnection Study.

3. REVIEW PROCESS DETAILS

- a. Step 1: Is the PCC on a Networked Secondary System?
 - If yes, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review.
 - If No, continue to next step.

Significance: Special considerations must be given to Generating Facilities proposed to be installed on networked secondary Distribution Systems because of the design and operational aspects of network protectors. There are no such considerations for radial Distribution Systems.

b. Step 2: Will power be exported across the PCC?

- If yes, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review.
- If No, the Generating Facility must incorporate one of the following four options:

Option 1 (“Reverse Power Protection”): To ensure that power is not exported across the PCC, a reverse power Protective Function may be provided.. The default setting for this Protective Function, when used, shall be 0.1% (export) of the service transformer’s rating, with a maximum 2.0 second time delay.

Option 2 (“Minimum Power Protection”): To ensure that at least a minimum amount of power is imported across the PCC at all times (and therefore, that power is not exported), an under-power Protective Function may be provided.. The default setting for this Protective Function, when used, shall be 5% (import) of the Generating Facility’s total Gross Nameplate Rating, with a maximum 2.0 second time delay.

Option 3 (“Certified Non-Islanding Protection”): To ensure that the incidental export of power across the PCC is limited to acceptable levels, this option, when used, requires that all of the following conditions be met: (a) the total Gross Nameplate Capacity of the Generating Facility must be no more than 25% of the nominal ampere rating of the Producer’s service equipment; (b) the total Gross Nameplate Capacity of the Generating Facility must be no more than 50% of the Producer’s service transformer capacity rating (this capacity requirement does not apply to customers taking primary service without an intervening transformer); and (c) the Generating Facility must be certified as Non-Islanding.

The ampere rating of the Customer’s Service Equipment to be used in this evaluation will be that rating for which the customer’s utility service was originally sized or for which an upgrade has been approved. It is not the intent of this provision to allow increased export simply by increasing the size of the customer’s service panel, without separate approval for the resize.

Option 4 (“Relative Generating Facility Rating”): This option, when used, requires Net Nameplate Rating of the Generating Facility to be so small in comparison to its host facility’s minimum load, that the use of additional

Protective Functions is not required to insure that power will not be exported to MVU's Distribution System. This option requires the Generating Facility capacity to be no greater than 50% of the Producer's verifiable minimum Host Load over the past 12 months.

Significance:

- 1) If it can be ensured that the Generating Facility will not export power, MVU's Distribution System does not need to be studied for Load-Carrying Capability or Generating Facility power flow effects on MVU voltage regulators.
 - 2) This step permits the use of reverse-power or minimum-power relaying as a Non-Islanding Protective Function (Options 1, 2 and 3).
 - 3) This step allows, under certain defined conditions, for Generating Facilities that incorporate Certified Non-Islanding protection to qualify for Simplified
- c. Step 3: Is the Interconnection Facilities equipment Certified for the application or does the Interconnection Facilities equipment have interim MVU approval?
- If Yes, continue to next step.
 - If No, the Generating Facility and/or Interconnection Facilities does not qualify or Simplified Interconnection. Perform Supplemental Review.

Interim approval allows the MVU to treat equipment that has not completed the Rule 21 certification requirements as having met the intent of this screen. Interim approval is granted, at MVU's discretion, on a case by case basis, and approval for one Generating Facility does not guarantee approval for any other Generating Facility

Significance: If the Generating Facility and/or Interconnection Facilities has been Certified or previously approved by MVU, MVU does not need to repeat its full review and/or test of the Generating and/or Interconnection Facilities' Protective Functions. Site Commissioning Testing may still be required to insure that the Protective Functions are working properly.

Certification indicates that the criteria in Section J, as appropriate, have been tested and verified.

- d. Step 4: Is the aggregate Generating Facility capacity on the Line Section less than 15% of Line Section peak load?
- If Yes, continue to next step.
 - If No, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review to determine cumulative impact on Line Section.

Significance:

- 1) Low penetration of Generating Facility installations will have a minimal impact on the operation and load restoration efforts of MVU's Distribution System.
- 2) The operating requirements for a high penetration of Generating Facilities may be different since the impact on MVU's Distribution System will no longer be minimal, therefore requiring additional study or controls.

- e. Step 5: Is the Starting Voltage Drop within acceptable limits?

- If Yes, continue to next step.
- If No, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review.

Note: This Step only applies to Generating Facilities that start by motoring the Generator(s).

MVU has two options in determining whether Starting Voltage Drop is acceptable. The option to be used is at MVU's discretion:

Option 1: MVU may determine that the Generating Facility's starting In-rush Current is equal to or less than the continuous ampere rating of the customer's service equipment.

Option 2: MVU may determine the impedances of the service distribution transformer (if present) and the secondary conductors to Customer's service equipment and perform a voltage drop calculation. Alternatively, MVU may use tables or nomographs to determine the voltage drop. Voltage drops caused by starting a Generator as a motor must be less than 2.5% for primary interconnections and 5% for secondary interconnections.

Significance:

- 1) This step addresses potential voltage fluctuation problems that may be caused by Generators that start by motoring.

- 2) When starting, Generating Facilities should have minimal impact on the service voltage to other MVU Customers.
 - 3) Passing this step does not relieve the Producer from ensuring that its Generating Facility complies with the flicker requirements of this Rule, Section D.2.d.
- f. Step 6: Is the Gross Nameplate Rating of the Generating Facility 11 kVA or less?
- If Yes, the Generating Facility qualifies for Simplified Interconnection. Skip remaining steps.
 - If No, continue to next step.

Significance:

The Generating Facility will have a minimal impact on fault current levels and any potential line overvoltages from loss of MVU's Distribution System neutral grounding.

- g. Step 7: Is the Short Circuit Current Contribution Ratio within acceptable limits?
- If Yes, continue to next step.
 - If No, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review.

The Short Circuit Current Contribution Ratio Screen consists of two criteria; both of which must be met when applicable:

- 1) When measured at primary side (high side) of a Dedicated Distribution Transformer serving a Generating Facility, the sum of the Short Circuit Contribution Ratios of all generating facilities connected to MVU's Distribution System circuit that serves the Generating Facility must be less than or equal to 0.1, and
- 2) When measured at the secondary side (low side) of a shared distribution transformer, the short circuit contribution of the proposed Generating Facility must be less than or equal to 2.5% of the interrupting rating of the Producer's Service Equipment.

Significance:

If the Generating Facility passes this screen it can be expected that it will have no significant impact on MVU's Distribution System's short circuit duty, fault detection sensitivity, relay coordination or fuse-saving schemes.

- h. Step 8: Is the Line Configuration compatible with the Interconnection type?
- If Yes, the Generating Facility qualifies for Simplified Interconnection.
 - If No, then the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review. Identify primary distribution line configuration that will serve the Generating Facility. Based on the type of Interconnection to be used for the Generating Facility, determine from the Table I.1 if the proposed Generating Facility passes the step.

Table I.1

Primary Distribution Line Type Configuration	Type of Interconnection to be Made to Primary Distribution Line	Results/Criteria
Three-phase, three wire	Any type	Pass Step
Three-phase, four wire	Single-phase, line-to-neutral	Pass Step
Three-phase, four wire (For any line that has such a section OR mixed three wire and four wire)	All others	To pass, aggregate GF Nameplate Rating must be less than or equal to 10% of Line Section peak load

Significance: If the primary distribution line serving the Generating Facility is of a “three-wire” configuration, or if the Generating Facility’s distribution transformer is single-phase and connected in a line-to-neutral configuration, then there is no concern about overvoltages to MVU’s, or other Customer’s equipment caused by loss of system neutral grounding during the operating time of the Non-Islanding Protective Function.

J. CERTIFICATION AND TESTING CRITERIA

1. INTRODUCTION

This Section describes the test procedures and requirements for equipment used for the Interconnection of Generating Facilities to MVU’s Distribution System. Included are Type Testing, Production Testing, Commissioning Testing and Periodic Testing. The procedures listed rely heavily on those described in appropriate Underwriters Laboratory (UL), Institute of Electrical and Electronic Engineers (IEEE), and International Electrotechnical Commission (IEC) documents—most notably UL 1741 and IEEE 929, as well as the testing described in *May 1999 New York State Public Services Commission Standardized Interconnection Requirements*. As noted in Section A, this rule has been revised

to be consistent with ANSI/IEEE 1547-2003 *Standard for Interconnecting Distributed Resources with Electric Power Systems*.

The tests described here, together with the technical requirements in Section D of this Rule, are intended to provide assurance that the Generating Facility's equipment will not adversely affect MVU's Distribution System and that a Generating Facility will cease providing power to MVU's Distribution System under abnormal conditions. The tests were developed assuming a low level of Generating Facility penetration or number of connections to MVU's Distribution System. At high levels of Generating Facility penetration, additional requirements and corresponding test procedures may need to be defined.

Section J also provides criteria for "Certifying" Generators or inverters. Once a Generator or inverter has been Certified per this Rule, it may be considered suitable for Interconnection with MVU's Distribution System. Subject to the exceptions described in Section J, MVU will not repeat the design review or require retesting of such Certified Equipment. It should be noted that the Certification process is intended to facilitate Generating Facility Interconnections. Certification is not a prerequisite to interconnect a Generating Facility.

The revisions made to this rule relative to IEEE 1547-2003 have resulted in changes in set points, test criteria, test procedures, and other requirements that will impact previously certified or listed equipment as well as equipment currently under evaluation. These changes were made to provide consistency with IEEE 1547. Equipment that is certified or that has been submitted to a Nationally Recognized Testing Laboratory (NRTL) for testing prior to the adoption of the revised Underwriters Laboratories (UL) 1741 titled Inverters, Converters, Controllers and Interconnection Systems Equipment for use with Distributed Energy Resources and that subsequently meet the provisions Rule 21 certification requirements will continue to be accepted as Certified Equipment for Interconnection Applications submitted through May 7, 2007, the effective date of the revised UL 1741. [this change will be incorporated by Advice Letter in Dec. 2005]

2. CERTIFIED AND NON-CERTIFIED INTERCONNECTION EQUIPMENT

a. Certified Equipment

Equipment tested and approved (e.g., "Listed") by an accredited NRTL as having met both the Type Testing and Production Testing requirements described in this document is considered to be Certified Equipment for purposes of Interconnection with MVU's Distribution System. Certification may apply to either a pre-packaged system or an assembly of components that address the necessary functions. Type Testing may be done in the manufactures' factory or test laboratory, or in the field. At the discretion of the testing laboratory, field-certification may apply only to

the particular installation tested. In such cases, some or all of the tests may need to be repeated at other installations.

When equipment is certified by a NRTL, the NRTL shall provide to the manufacturer, at a minimum, a Certificate with the following information for each device:

Administrative:

- 1) The effective date of Certification or applicable serial number (range or first in series), and/or other proof that Certification is current;
- 2) Equipment model number(s) of the Certified Equipment;
- 3) The software version utilized in the equipment, if applicable;
- 4) Test procedures specified (including date or revision number); and
- 5) Laboratory accreditation (by whom and to what standard).

Technical (as appropriate):

- 1) Device ratings (kW, kVA, Volts, Amps, etc.);
- 2) Maximum available fault current in Amps;
- 3) In-rush Current in Amps;
- 4) Trip points, if factory set (trip value and timing);
- 5) Trip point and timing ranges for adjustable settings;
- 6) Nominal power factor or range if adjustable;
- 7) If the equipment is Certified for Non-Exporting and the method used (reverse power or under power); and
- 8) If the equipment is Certified Non-Islanding.

It is the responsibility of the equipment manufacturer to ensure that Certification information is made publicly available by the manufacturer, the testing laboratory or by a third party.

b. Non-Certified Equipment

For non-Certified Equipment, some or all of the tests described in this Rule may be required by MVU for each Generating Facility and/or Interconnection Facilities. The manufacturer or a laboratory acceptable to

MVU may perform these tests. Test results for Non-Certified Equipment must be submitted to MVU for the Supplemental Review. Approval by MVU for equipment used in a particular Generating Facility and/or Interconnection Facilities does not guarantee MVU's approval for use in other Generating Facility and/or Interconnection Facilities.

3. TYPE TESTING

- a. Type Tests and Criteria for Interconnection Equipment Certification. Type Testing provides a basis for determining that equipment meets the specifications for being designated as Certified Equipment under this Rule. The requirements described in this Section cover only issues related to Interconnection and are not intended to address equipment safety or other issues.

Table J.1. defines the test criteria by Generator or inverter technology. While UL 17411 was written specifically for inverters, the requirements are readily adaptable to synchronous Generators, induction Generators, as well as single/multi-function controllers and protection relays. Until a universal test standard is developed, MVU or NRTL shall adapt the procedures referenced in Table J.1 as appropriate and necessary for a Generating Facility and/or Interconnection Facilities or associated equipment performance and its control and Protective Functions. The tests shall be performed in the sequence shown in Table J.2 below.

Table J.1 Type Tests and Requirements for Interconnection Equipment Certification

Type Test	Reference (1)	Inverter	Synchronous Generator	Induction Generator
Utility Interaction	UL 1741 – 39	X	X	X
DC Isolation	UL 1741 – 40.1	X	-	-
Simulated PV Array (Input) Requirements	UL 1741 – 41.2	X	-	-
Dielectric Voltage Withstand	UL 1741 – 44	X	X	X
Power Factor	UL 1741 – 45.2.2	X	X	X
Harmonic Distortion	UL 1741 – 45.4	X	X	X
DC Injection	UL 1741 – 45.5	X	-	-
Utility Voltage and Frequency Variation	UL 1741 – 46.2	X	X	X
Reset Delay	UL 1741 – 46.2.3	X	X	X
Loss of Control Circuit	UL 1741 – 46.4	X	X	X
Short Circuit	UL 1741 – 47.3	X	X	X
Load Transfer	UL 1741 – 47.7	X	X	X
Surge Withstand Capability	J.3.e	X	X	X
Anti-Islanding	J.3.b	(2)	(2)	(2)
Non-Export	J.3.c	(3)	(3)	(3)
In-rush Current	J.3.d	-	-	(4)
Synchronization	J.3.f	(5)	X	(5)

- Table Notes: (1) References are to section numbers in either UL 1741 (Inverters, Converters and Charge Controllers for use in Independent Power Systems) or this Rule. References in UL 1741 to “photovoltaics” or “inverter” may have to be adapted to the other technologies by the testing laboratory to appropriately apply in the tests to other technologies.
- (2) Required only if Non-Islanding designation
- (3) Required only if Non-Export designation is desired.
- (4) Required for Generators that use MVU power to motor to speed.
- (5) Required for all self-excited induction Generators as well as Inverters that operate as voltage sources when connected to MVU’s Distribution System.
- X = Required , - = Not Required

Table J.2 Type Tests Sequence for Interconnection Equipment Certification

Test No.	Type Test
1	Utility Voltage and Frequency Variation
2	Synchronization
3	Surge Withstand Capability
4	Utility Voltage and Frequency Variation
5	Synchronization
6	Other Required and Optional Tests
Tests 1, 2, and 3, must be done first and in the order shown. Tests 4 and on follow in order convenient to the test agency.	

b. Anti-Islanding Test

Devices that pass the Anti-Islanding test procedure described in UL 1741 Section 46.3 will be considered Non-Islanding for the purposes of these interconnection requirements. The test is required only for devices for which a Certified Non-Islanding designation is desired.

c. Non-Export Test

Equipment that passes the Non-Export test procedure described in Section J.7.a. will be considered Non-Exporting for the purposes of these Interconnection requirements. This test is required only for equipment for which a Certified Non-Export designation is desired.

d. In-rush Current Test

Generation equipment that utilizes MVU power to motor up to speed will be tested using the procedure defined in Section J.7.b. to determine the maximum current drawn during this startup process. The resulting In-rush Current is used to estimate the Starting Voltage Drop.

e. Surge Withstand Capability Test

The interconnection equipment shall be tested for the surge withstand requirement in D.1.c in all normal operating modes in accordance with

IEEE Std C62.45-2002 for equipment rated less than 1000 V to confirm that the surge withstand capability is met by using the selected test level(s) from IEEE Std C62.41.2-2002. Interconnection equipment rated greater than 1000 V shall be tested in accordance with manufacturer or system integrator designated applicable standards. For interconnection equipment signal and control circuits, use IEEE Std C37.90.1-2002. These tests shall confirm the equipment did not fail, did not misoperate, and did not provide misinformation (IEEE1547-5.1.3.2). The location/exposure category for which the equipment has been tested shall be clearly marked on the equipment label or in the equipment documentation. External surge protection may be used to protect the equipment in harsher location/exposure categories.

f. Synchronization Test

This test is applied to synchronous Generators, self-excited induction generators, and inverters capable of operating as voltage-source while connected to MVU's Distribution System. The test is also applied to the resynchronization Function (transition from stand-alone to parallel operation) on equipment that provides such functionality. This test may not need to be performed on both the synchronization and re-synchronization functions if the manufacturers can verify to the satisfaction of the testing organization that monitoring and controls hardware and software are common to both functions. This test is not necessary for induction generators or current-source inverters. Instead, the In-rush Current test Section J.3.d shall be applied to those generators.

This test shall demonstrate that at the moment of the paralleling-device closure, all three synchronization parameters in Table J.3 are within the stated limits. This test shall also demonstrate that if any of the parameters are outside of the limits stated in the table, the paralleling-device shall not close (IEEE 1547- 5.1.2A). The test will start with only one of the three parameters: (1) voltage difference between Generating Facility and MVU's Distribution System; (2) frequency difference; or (3) phase angle outside of the synchronization specification. Verify that the Generating Facility is brought within specification prior to synchronization. Repeat the test five times for each of the three parameters. For manual synchronization with synch check or manual control with auto synchronization, the test must verify that paralleling does not occur until the parameters are brought within specifications.

Table J.3. Synchronization Parameter Limits [1]

Aggregate Rating of Generator Units (kVA)	Frequency Difference (Δf , Hz)	Voltage Difference (ΔV , %)	Phase Angle Difference ($\Delta \phi$, \square)
0-500	0.3	10	20
> 500-1,500	0.2	5	15
> 1,500-10,000	0.1	3	10

[1] – IEEE 1547-5.1.1B

g. Paralleling Device Withstand Test

The di-electric voltage withstand test specified in Section J.1 shall be performed on the paralleling device to ensure compliance with those requirements specified in Section D.1.c (IEEE 1547-5.1.3.3).

4. Production Testing

As a minimum, each interconnection system shall be subjected to the Utility Voltage and Frequency Variation Test procedure described in UL1741 under Manufacturing and Production Tests, Section 68 and the Synchronization test specified in Section J.3.f Interconnection systems with adjustable set points shall be tested at a single set of set points as specified by the manufacturer. This test may be performed in the factory or as part of a Commissioning Test (Section J.5.).

5. Commissioning Testing

- a. Commissioning Testing, where required, will be performed on-site to verify protective settings and functionality. Upon initial Parallel Operation of a Generating Facility, or any time interface hardware or software is changed that may affect the functions listed below, a Commissioning Test must be performed. An individual qualified in testing protective equipment (professional engineer, factory-certified technician, or licensed electrician with experience in testing protective equipment) must perform Commissioning Testing in accordance with the manufacturer's recommended test procedure to verify the settings and requirements per this Rule.

MVU may require written Commissioning test procedure be submitted to MVE at least 10 working days prior to the performance of the Commissioning Test. MVU has the right to witness Commissioning Test, MVU may also require written certification by the installer describing which tests were performed and their results. Protective Functions to be tested during commissioning, particularly with respect to non-Certified equipment, may consist of the following:

- (1) Over and under voltage
- (2) Over and under frequency
- (3) Anti-Islanding function (if applicable)
- (4) Non-Exporting function (if applicable)
- (5) Inability to energize dead line
- (6) Time delay on restart after utility source is stable
- (7) Utility system fault detection (if used)
- (8) Synchronizing controls (if applicable)
- (9) Other Interconnection Protective Functions that may be required as part of the Interconnection Agreement

Commissioning Test shall include visual inspections of the interconnection equipment and protective settings to confirm compliance with the interconnection requirements.

b. Other checks and tests that may need to be performed include:

- (1) Verifying final Protective Function settings
- (2) Trip test (J.5.f)
- (3) In-service tests (J.5.g)

c. Certified Equipment

Generating Facilities qualifying for Simplified Interconnection incorporate Certified Equipment that have, at a minimum, passed the Type Tests and Production Tests described in this Rule and are judged to have little or no potential impact on MVU's Distribution System. For such Generating Facilities,

it is necessary to perform only the following tests:

- (1) Protective Function settings that have been changed after Production Testing will require field verification. Tests shall be performed using injected secondary frequencies, voltages and currents, applied waveforms, at a test connection using a Generator to simulate abnormal utility voltage or frequency, or varying the set points to show that the device trips at the measured (actual) utility voltage or frequency.
- (2) The Non-Islanding function shall be checked by operating a load break disconnect switch to verify the Interconnection equipment ceases to energize MVU's Distribution System and does not re-energize it for the required time delay after the switch is closed.

- (3) The Non-Exporting function shall be checked using secondary injection techniques. This function may also be tested by adjusting the Generating Facility output and local loads to verify that the applicable Non-Exporting criteria (i.e., reverse power or underpower) are met.

The Supplemental Review or an Interconnection Study may impose additional components or additional testing.

d. Non-Certified Equipment

Non-certified Equipment shall be subjected to the appropriate tests described in Type Testing (Section J.3.) as well as those described in Certified Equipment Commissioning Tests (Section J.5.c.). With MVU's approval, these tests may be performed in the factory, in the field as part of commissioning, or a combination of both. MVU, at its discretion, may also approve a reduced set of tests for a particular Generating Facility or, for example, if it determines it has sufficient experience with the equipment.

e. Verification of Settings

At the completion of Commission testing, the Producer shall confirm all devices are set to MVU-approved settings. Verification shall be documented in the Commissioning Test Certification.

f. Trip Tests

Interconnection Protective Functions and devices (e.g. reverse power relays) that have not previously been tested as part of the Interconnection Facilities with their associated interrupting devices (e.g. contactor or circuit breaker) shall be trip tested during commissioning. The trip test shall be adequate to prove that the associated interrupting devices open when the protective devices operate. Interlocking circuits between Protective Function devices or between interrupting devices shall be similarly tested unless they are part of a system that has been tested and approved during manufacturing.

g. In-service Tests

Interconnection Protective Functions and devices that have not previously been tested as part of the Interconnection Facilities with their associated instrument transformers or that are wired in the field shall be given an in-service test during commissioning. This test will verify proper wiring, polarity, CT/PT ratios, and proper operation of the measuring circuits. The in-service test shall be made with the power system energized and carrying

a known level of current. A measurement shall be made of the magnitude and phase angle of each Alternating Current (AC) voltage and current connected to the protective device and the results compared to expected values. For protective devices with built-in Metering Functions that report current and voltage magnitudes and phase angles, or magnitudes of current, voltage, and real and reactive power, the metered values may be used for in-service testing. Otherwise, portable ammeters, voltmeters, and phase-angle meters shall be used.

6. Periodic Testing

Periodic Testing of Interconnection-related Protective Functions shall be performed as specified by the manufacturer, or at least every four years. All Periodic Tests prescribed by the manufacturer shall be performed. The Producer shall maintain Periodic Test reports or a log for inspection by MVU. Periodic Testing conforming to MVU test intervals for the particular Line Section may be specified by MVU under special circumstances, such as high fire hazard areas. Batteries used to activate any Protective Function shall be checked and logged once per month for proper voltage. Once every four years, the battery must be either replaced or a discharge test performed.

7. Type Testing Procedures Not Defined in Other Standards

This Section describes the additional Type Tests necessary to qualify a device as Certified under this Rule. These Type Tests are not contained in Underwriters Laboratories UL 1741 Standard *Inverters, Converters and Controllers for Use in Independent Power Systems*, or other referenced standards.

a. Non-Exporting Test Procedures

The Non-Exporting test is intended to verify the operation of relays, controllers and inverters designed to limit the export of power and certify the equipment as meeting the requirements of Screen 2, Options 1 and 2, of the review process. Tests are provided for discrete relay packages and for controllers and inverters with the intended Functions integrated.

(1) Discrete Reverse Power Relay Test

This version of the Non-Exporting test procedure is intended for discrete reverse power and underpower relay packages provided to meet the requirements of Options 1 and 2 of Screen 2. It should be understood that in the reverse power application, the relay will provide a trip output with power flowing in the export (toward MVU's Distribution System) direction.

Step 1: Power Flow Test at Minimum, Midpoint and Maximum Pickup Level Settings

Determine the corresponding secondary pickup current for the desired export power flow of 0.5 secondary watts (the minimum pickup setting, assumes 5 amp and 120V CT/PT secondary). Apply nominal voltage with minimum current setting at zero (0) degrees phase angle in the trip direction. Increase the current to pickup level. Observe the relay's (LCD or computer display) indication of power values. Note the indicated power level at which the relay trips. The power indication should be within 2% of the expected power. For relays with adjustable settings, repeat this test at the midpoint, and maximum settings. Repeat at phase angles of 90, 180 and 270 degrees and verify that the relay does not operate (measured watts will be zero or negative).

Step 2: Leading Power Factor Test

Apply rated voltage with a minimum pickup current setting (calculated value for system application) and apply a leading power factor load current in the non-trip direction (current lagging voltage by 135 degrees). Increase the current to relay rated current and verify that the relay does not operate. For relays with adjustable settings, this test should be repeated at the minimum, midpoint, and maximum settings.

Step 3: Minimum Power Factor Test

At nominal voltage and with the minimum pickup (or ranges) determined in Step 1, adjust the current phase angle to 84 or 276 degrees. Increase the current level to pickup (about 10 times higher than at 0 degrees) and verify that the relay operates. Repeat for phase angles of 90, 180 and 270 degrees and verify that the relay does not operate.

Step 4: Negative Sequence Voltage Test

Using the pickup settings determined in Step 1, apply rated relay voltage and current at 180 degrees from tripping direction, to simulate normal load conditions (for three-phase relays, use Ia at 180, Ib at 60 and Ic at 300 degrees). Remove phase-1 voltage and observe that the relay does not operate. Repeat for phases-2 and 3.

Step 5: Load Current Test

Using the pickup settings determined in Step 1, apply rated voltage and current at 180 degrees from the tripping direction, to simulate normal load conditions (use Ia at 180, Ib at 300 and Ic at 60 degrees). Observe that the relay does not operate.

Step 6: Unbalanced Fault Test

Using the pickup settings determined in Step 1, apply rated voltage and 2 times rated current, to simulate an unbalanced fault in the non-trip direction (use Va at 0 degrees, Vb and Vc at 180 degrees, Ia at 180 degrees, Ib at 0 degrees, and Ic at 180 degrees). Observe that the relay, especially single phase, does operate properly.

Step 7: Time Delay Settings Test

Apply Step 1 settings and set time delay to minimum setting. Adjust the current source to the appropriate level to determine operating time, and compare against calculated values. Verify that the timer stops when the relay trips. Repeat at midpoint and maximum delay settings.

Step 8: Dielectric Test

Perform the test described in IMVU 414 using 2 kV RMS for 1 minute.

Step 9: Surge Withstand Test

Perform the surge withstand test described in IEEE C37.90.1.1989 or the surge withstand capability test described in J.3.e.

(2) *Discrete Underpower Relay Test*

This version of the Non-Exporting test procedure is intended for discrete underpower relay packages and meets the requirements of Option 2 of Screen 2. A trip output will be provided when import power (toward the Producer's load) drops below the specified level.

Note: For an underpower relay, pickup is defined as the highest power level at which the relay indicates that the power is less than the set level.

Step 1: Power Flow Test at Minimum, Midpoint and Maximum Pickup Level Settings

Determine the corresponding secondary pickup current for the desired power flow pickup level of 5% of peak load minimum pickup setting. Apply rated voltage and current at 0 (zero) degrees phase angle in the direction of normal load current. Decrease the

current to pickup level. Observe the relay's (LCD or computer display) indication of power values. Note the indicated power level at which the relay trips. The power indication should be within 2% of the expected power. For relays with adjustable settings, repeat the test at the midpoint, and maximum settings. Repeat at phase angles of 90, 180 and 270 degrees and verify that the relay operates (measured watts will be zero or negative).

Step 2: Leading Power Factor Test

Using the pickup current setting determined in Step 1, apply rated voltage and rated leading power factor load current in the normal load direction (current leading voltage by 45 degrees). Decrease the current to 145% of the pickup level determined in Step 1 and verify that the relay does not operate. For relays with adjustable settings, repeat the test at the minimum, midpoint, and maximum settings.

Step 3: Minimum Power Factor Test

At nominal voltage and with the minimum pickup (or ranges) determined in Step 1, adjust the current phase angle to 84 or 276 degrees. Decrease the current level to pickup (about 10% of the value at 0 degrees) and verify that the relay operates. Repeat for phase angles 90, 180 and 270 degrees and verify that the relay operates for any current less than rated current.

Step 4: Negative Sequence Voltage Test

Using the pickup settings determined in Step 1, apply rated relay voltage and 25% of rated current in the normal load direction, to simulate light load conditions. Remove phase 1 voltage and observe that the relay does not operate. Repeat for Phases-2 and 3.

Step 5: Unbalanced Fault Test

Using the pickup settings determined in Step 1, apply rated voltage and two times rated current, to simulate an unbalanced fault in the normal load direction (use Va at 0 degrees, Vb and Vc at 180 degrees, Ia at 0 degrees, Ib at 180 degrees, and Ic at 0 degrees). Observe that the relay (especially single-phase types) operates properly.

Step 6: Time Delay Settings Test

Apply Step 1 settings and set time delay to minimum setting. Adjust the current source to the appropriate level to determine operating time, and compare against calculated values. Verify that the timer stops when the relay trips. Repeat at midpoint and maximum delay settings.

Step 7: Dielectric Test

Perform the test described in IEC 414 using 2 kV RMS for 1 minute.

Step 8: Surge Withstand Test

Perform the surge withstand test described in IEEE C37.90.1.1989 or the surge withstand test described in Section J.3.e.

(3) Tests for Inverters and Controllers with Integrated Functions

Inverters and controllers designed to provide reverse or underpower functions shall be tested to certify the intended operation of this function. Two methods are acceptable:

Method 1: If the inverter or controller utilizes external current/voltage measurement to determine the reverse or underpower condition, then the inverter or controller shall be functionally tested by application of appropriate secondary currents and potentials as described in the Discrete Reverse Power Relay Test, Section J.7.a.(1) of this Rule.

Method 2: If external secondary current or voltage signals are not used, then unit-specific tests must be conducted to verify that power cannot be exported across the PCC for a period exceeding two seconds. These may be factory tests, if the measurement and control points are integral to the unit, or they may be performed in the field.

b. In-rush Current Test Procedures

This test will determine the maximum In-rush Current drawn by the Generator.

(1) Locked-Rotor Method

Use the test procedure defined in NEMA MG-1 (manufacturer's data is acceptable if available).

(2) Start-up Method

Install and setup the Generating Facility equipment as specified by the manufacturer. Using a calibrated oscilloscope or data acquisition equipment with appropriate speed and accuracy, measure the current draw at the Point of Interconnection as the Generating Facility starts up and parallels with MVU's Distribution System. Startup shall follow the normal, manufacturer-specified procedure. Sufficient time and current resolution and accuracy shall be used to capture the maximum current draw within 5%. In-rush Current is defined as the maximum current draw from MVU during the startup process, using a 10-cycle moving average. During the test, the utility source, real or simulated, must be capable of maintaining voltage within +/- 5% of rated at the connection to the unit under test. Repeat this test five times. Report the highest 10-cycle current as the In-rush Current. A graphical representation of the time-current characteristic along with the certified In-rush Current must be included in the test report and made available to MVU.

CHART OF CHARGES AND FEES

Item	Charge
Service Initiation Charge	
Next Day, Normal Business Hours	\$15.00
Identity Verification Fee	\$5.00
Additional Charge for Same Day Turn On of Service	\$30.00

Additional Charge for Weekends and After Hours Turn On of Service	\$50.00
Deposits	
Residential Service – Single Family	Twice Average Monthly Bill, minimum \$235
Residential Service – Multi-Family	Twice Average Monthly Bill, minimum \$105
Non Residential Service	Twice Maximum Monthly Bill
Reestablishment of Credit	Twice Maximum Monthly Bill
Interest on Deposits	1/12 th of the Interest Rate on Commercial Paper (Prime, 3 Months)
Interest on Unauthorized Use Billings	10% Per Annum
Interest on Amortized Repayment Agreements	10% Per Annum
Return Check Charge	\$31.00
Field Notification Charge	\$10.00
Collection Processing Fee	\$30.00
Meter Test Deposit – (Refunded if Meter Registers within Parameters)	
Meter Installed without Current or Potential Transformer	\$20.00
Meter Installed with Current or Potential Transformer	\$100.00
Late Charge	0.9% per Month of Unpaid Balance
Utility Users Tax	5.75%
Reconnection Charge	
Meter Panel – Next Day	\$20.00
Meter Panel – Same Day During Working Hours	\$30.00
Meter Panel – Weekends and After Hours	\$50.00
Pole / Service Structure – Next Day	\$60.00
Pole / Service Structure – Same Day During Working Hours	\$75.00
Pole / Service Structure – Weekends and After Hours	\$90.00
Transformer/Structure Due to Energy Theft	\$150.00
Damaged Steel Lock-ring	\$15.00
Damaged Aluminum Lock-ring	\$ 5.00
Replaced Damaged Meter	Actual cost (time and material)

PLAN CHECKING and INSPECTION/TESTING FEES

Upon submittal of improvement plan(s) for a project's electrical distribution system, line extension facilities and/or structures for plan review, the submittal shall be accompanied with a deposit of an amount equal to 3.25% of the engineer's estimated construction costs for improvements. Prior to second submittal of improvement plans, the City Engineer will approve a final cost for improvements and a plan review fee will be established. From this final fee, the deposit will be deducted. This fee shall be paid prior to the second submittal of the improvement plan(s).

Improvement Plans

(Total cost of construction)

Off-Site & On-Site 1-3 submittals

First \$20,000.00	4.0%
Next \$80,000.00	3.5%
Over \$100,000.00	3.25%
4 th and subsequent submittals per sheet	\$248.00/sheet or as directed by City Engineer

Revisions (Improvement Plans)

Minor per sheet	\$261.00
Major per sheet (minimum fee)	\$269.00

Inspection and Testing

(Total cost of construction)

Off-Site & On- Site

First \$20,000.00	4.0%
Next \$80,000.00	3.5%
Over \$100,000.00	3.25%

City of Moreno Valley
Electric Service Rules, Fees and Charges

Attachment: Rules Fees Charges - Jan 2017 Highlighted (2355 : APPROVAL TO AMEND THE ELECTRIC SERVICE RULES FOR MORENO

Electric Rules, Fees, and Charges - Table of Contents

ELECTRIC RULE 1—ADOPTION OF ELECTRIC RULES AND DEFINITIONS..... 3

ELECTRIC RULE 2—DESCRIPTION OF SERVICE 5

ELECTRIC RULE 3—APPLICATION FOR SERVICE..... 18

ELECTRIC RULE 4—CONTRACTS 20

ELECTRIC RULE 5—SPECIAL INFORMATION REQUIRED ON FORMS 21

ELECTRIC RULE 6—ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT 22

ELECTRIC RULE 7—DEPOSITS..... 23

ELECTRIC RULE 8—NOTICES..... 25

ELECTRIC RULE 9—RENDERING AND PAYMENT OF BILLS 27

ELECTRIC RULE 10—DISPUTED BILLS 30

ELECTRIC RULE 11—DISCONTINUANCE AND RESTORATION OF SERVICE 32

ELECTRIC RULE 12—RATES AND OPTIONAL RATES 36

ELECTRIC RULE 13- TEMPORARY SERVICE.....38

ELECTRIC RULE 14—SHORTAGE OF SUPPLY AND INTERRUPTION OF DELIVERY 39

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS..... 40

ELECTRIC RULE 16—SERVICE EXTENSIONS..... 45

ELECTRIC RULE 17—METER TESTS AND ADJUSTMENT OF BILLS FOR METER ERROR..... 56

ELECTRIC RULE 17.1- ADJUSTMENTS OF BILLING ERROR..... 58

ELECTRIC RULE 17.2— ADJUSTMENT OF BILLS FOR UNAUTHORIZED USE..... 59

ELECTRIC RULE 21— GENERATING FACILITY INTERCONNECTIONS..... 62

CHART OF CHARGES AND FEES 99

PLAN CHECK AND INSPECTION FEES 100

Attachment: Rules Fees Charges - Jan 2017 Highlighted (2355 : APPROVAL TO AMEND THE ELECTRIC SERVICE RULES FOR MORENO

ELECTRIC RULE 1—ADOPTION OF ELECTRIC RULES AND DEFINITIONS

These Electric Rules established by the City of Moreno Valley (“City”) and approved by the City Council are effective throughout the service area of the City of Moreno Valley’s Electric Utility.

All rules are subject to change. Copies of the rules currently in effect will be kept in the offices of the Electric Utility Division, Department of Public Works. Customers or others contemplating any expenditures or activities governed by these rules should assure themselves that they have the current version by contacting the Electric Utility Division. A copy of the current rates is also available on the City’s website – www.moval.org.

For the purpose of these rules, the following terms shall have the following meanings:

Applicant: A person, persons, firm, association, governmental agency, corporation or other concern that submits a request for electric service from the Utility and who will be responsible for all related charges.

Billing Demand: The load or demand, measured in kilowatts and kilovars, used for computing charges under rate schedules based on the size of the Customer's load or demand. It may be connected load, the measured maximum demand, or a modification of either as provided for by the applicable rate schedule.

City Council: The City Council of the City of Moreno Valley, designated as the governing body of the Utility.

Connected Load: The sum of the nameplate-rated capacities of all of the Customer's equipment that can be connected to the Utility's lines at any one time as more completely described in the rate schedules.

Customer: The person, persons, firm, association, governmental agency, corporation or other concern that use, are entitled to use, or benefit from the use of electricity from the Utility.

Date of Presentation: The date upon which a bill or notice is mailed or delivered by the Utility to the Customer.

Distribution Lines: Overhead pole lines and underground facilities consisting of conduit, wire and cable that are operated at distribution voltages.

Energy Diversion: Electricity being received by a Customer without registering through the meter due to either tampering with the meter or bypassing the meter.

HP: Horsepower.

kVAR: Kilovar

kVARh: Kilovar-hour

kW: Kilowatt.

kWh: Kilowatt-hour.

On-Site Facilities: On-site facilities include the facilities located on the Premises as well as those in adjacent rights-of-way, easements and a proportionate share of any facilities on adjacent property used to provide service to the Premises.

Nominal Voltage: The nominal voltage of a circuit is the approximate voltage between conductors in a circuit or system of a given class, assigned for the purpose of convenient designation. For any specific nominal voltage, the operating voltage actually existing at different points and times on the system will vary.

Person: Any individual, partnership, corporation, public agency or legal entity.

Premises: All real property, buildings, and appurtenances upon an integral parcel of land undivided by a street, highway or other public thoroughfare.

Service Wires or Connection: The group of conductors connecting the service entrance conductors of the Customer to the Utility's supply line, regardless of the location of the Utility's meters or transformers.

Utility: City of Moreno Valley

ELECTRIC RULE 2—DESCRIPTION OF SERVICE

A. GENERAL

1. The type of service available at any particular location should be determined by inquiry at City's local office.
2. Alternating-current service will be regularly supplied at a frequency of approximately 60 Hertz (cycles per second).
3. In areas where a certain standard secondary voltage is presently being served to one or more Customers, an Applicant applying for new service in such areas may be required by City to receive the same standard voltage supplied to existing Customers.
4. All electric service described in this rule is subject to the conditions in the applicable rate schedule and other pertinent rules.
5. It is the responsibility of the Applicant to ascertain and comply with the requirements of governmental authorities having jurisdiction.
6. Service to a premise is normally established at one delivery point, through one meter, and at one voltage class. Other arrangements for service at multiple service delivery points, or for services at more than one voltage class, are permitted only where feasible and with the approval of City. For purposes of this rule, distribution service voltage classes, delta or wye connected, are described as:
 - a. 0-600 volt source, single-phase, 1Ø
 - b. 0-600 volt source, three-phase, 3Ø
 - c. above 600 volt source, three-phase, 3Ø
7. Direct-current (d-c) or two-phase service is not available.

B. SERVICE DELIVERY VOLTAGES

- Following are the standard service voltages normally available, although not all of them are or can be made available at each service delivery point:

Distribution Voltages		
Single-phase Secondary	Three-phase Secondary	Three-phase Primary
120/240, 3-wire	240/120, 4-wire 480/277, 4-wire*	12,000, 3-wire 2,400, 3-wire*
120/208, 3-wire*	208Y/120, 4-wire	4,160, 3-wire*
		4,160Y/2,400, 4-wire*
		12,000Y/6,930, 4-wire*

***Limited Availability.**

- All voltages referred to in this rule and appearing in some rate schedules are nominal service voltages at the service delivery point. City's facilities are designed and operated to provide sustained service voltage at the service delivery point, but the voltage at a particular service delivery point, at a particular time, will vary within fully satisfactory operating range limits established in Section C.
- The point of delivery and point of metering will normally be at the same voltage and within close proximity to each other. When City determines it is not feasible for the point of delivery and point of metering to be at the same voltage and within close proximity to each other, the demand and energy meter readings used in determining the charges will be adjusted to correct for transformation and line losses. An estimated transformer loss adjustment factor of two percent (2%) will be applied to the demand and energy meter readings for each stage of transformation between the point of delivery and the point of metering, unless City and the Customer agree that specific transformer manufacturer test data support a different transformer loss adjustment. Line losses will be calculated as a function of the current through, and the electrical characteristics of, the line between the point of delivery and point of metering.

C. VOLTAGE AND FREQUENCY CONTROL

1. CUSTOMER SERVICE VOLTAGES

- a. Under all normal load conditions, City's distribution circuits will be operated so as to maintain secondary service voltage levels to Customers within the service voltage ranges specified below:

Nominal Two-Wire And Multi-Wire Service Voltage	Minimum Voltage To All Services	Maximum Service Voltage On All Services
120	114	126
208	197	218
240	228	252
277	263	291
480	456	504

City's distribution voltage will be regulated to the extent practicable to maintain service voltage on residential and commercial distribution circuits within the minimum and maximum voltages specified above.

- b. Exceptions to Voltage Limits. Voltage may be outside the limits specified when the variations:
- 1) Arise from the temporary action of the elements.
 - 2) Are infrequent momentary fluctuations of a short duration
 - 3) Arise from service interruptions.
 - 4) Arise from temporary separation of parts of the system from the main system.
 - 5) Are from causes beyond the control of City, and which may be sustained duration.
- c. Where the operation of the Applicant's equipment requires unusually stable voltage regulation or other stringent voltage control beyond that supplied by City in the normal operation of its system, the Applicant, at his own expense, is responsible for installing, owning, operating, and maintaining any special or auxiliary equipment on the load side of the service delivery point as deemed necessary by the Applicant.
- d. The Applicant shall be responsible for designing and operating his service facilities between the service delivery point and the utilization equipment to

maintain proper utilization voltage at the line terminals of the utilization equipment.

2. CUSTOMER UTILIZATION VOLTAGES

- a. All Customer-owned utilization equipment must be designed and rated in accordance with the following utilization voltages specified by the American National Standard Institute C84.1 if Customer equipment is to give fully satisfactory performance:

Nominal Utilization Voltage	Minimum Utilization Voltage	Maximum Utilization Voltage
120	100	125
208	191	216
240	220	250
277	254	289
480	440	500

Minimum utilization voltages from ANSI C84.1 are shown for Customer information only as City has no control over voltage drop in Customer's wiring.

D. GENERAL LOAD LIMITATIONS

1. SINGLE-PHASE SERVICE

Single-phase service normally will be three-wire, 120/240 volts where the size of any single motor does not exceed 7.5 horsepower (10 horsepower at the option of City). For any single-phase service, the maximum demand as determined by City is limited to the capability of a 100-kVA transformer and 400 amp main disconnect unless otherwise approved by City. If the load requires a transformer installation in excess of 100 kVA, the service normally will be three-phase.

2. THREE-PHASE SERVICE (LESS THAN 600 VOLTS)

- a. Secondary service from underground primary distribution systems (where City maintains existing 3-phase primary circuits):

Nominal Voltage	Minimum Load	Maximum Demand
208Y/120, 4-wire	Demand load justifies a 75 kVA transformer	3,000 kVA
480Y/277, 4-wire	Demand load justifies a 75 kVA transformer	3,000 kVA

- b. Where three-phase service is supplied, City reserves the right to use single-phase transformers connected open-delta or closed-delta, or three-phase transformers.
- c. Three-phase service will be supplied on request for installations aggregating less than the minimums listed above where existing transformer capacity is available and approved by City.
- d. Three-phase metering for one service voltage supplied to installations on one premise at one delivery location normally is limited to a maximum of a 4,000 ampere service rating. Metering for larger installations, or installations having two (2) or more service switches with a combined rating in excess of 4,000 amperes, or service for loads in excess of the maximum demand load permitted, may be installed provided approval of City has been first obtained as to the number, size, and location of switches, circuits, transformers and related facilities. Service supplied to such approved installations in excess of one 4,000 ampere switch or breaker at one service delivery point may be totaled for billing purposes.

3. THREE-PHASE SERVICE (OVER 600 VOLTS)

- a. Following are three-phase voltages that may be transformed from higher existing primary distribution voltages and provided only as isolated services for a single Applicant where the Applicant's demand load justifies, as determined by City, the installation of the minimum size transformer bank used by City:

Nominal Voltage	Minimum Size Bank Installed	Maximum Demand Load Permitted
2,400*	500 kVA	5,000 kVA
4,160*	500 kVA	5,000 kVA
12,000	500 kVA	12,000 kVA

***Limited Availability.**

- b. For its operating convenience and necessity, City may elect to supply an Applicant whose demand load is in excess of 2,000 kVA from a substation on the Applicant's Premises supplied from a transmission source.
- c. City reserves the right to change its distribution or transmission voltage to another standard service voltage when, in its judgment, it is necessary or advisable for economic reasons or for proper service to its Customers. Where a Customer is receiving service at the voltage being changed, the Customer then has the option to: (1) accept service at the new voltage, (2) accept service at the secondary side of an additional stage of transformation to be supplied by City at a location on the Customer's Premises in accordance with City's requirements, or (3) contract with City for an additional stage of transformation to be installed as Special Facilities (including any applicable Contributions in Aid of Construction taxes) under the provisions of Section I, below, whereby the Customer will be considered as accepting service at the primary side of the additional stage of transformation. Metering not relocated to the primary side of the additional stage of transformation will be subject to a transformer loss adjustment in accordance with Section B.4 of this Rule. The option to contract with City for an additional stage of transformation (option 3, above) is available only once in conjunction with a change in standard voltage by City.

4. LOAD BALANCE

The Applicant must balance his demand load as nearly as practicable between the two sides of a three-wire single-phase service and between all phases of a three-phase service. The difference in amperes between any two phases at the Customer's peak load should not be greater than 10 percent or 50 amperes (at the service delivery voltage), whichever is greater; except that the difference between the load on the lighting phase of a four-wire delta service and the load on the power phase may be more than these limits. It will be the responsibility of the Customer to keep his demand load balanced within these limits.

E. PROTECTIVE DEVICES

1. It shall be the Applicant's responsibility to furnish, install, inspect and keep in good and safe condition at his own risk and expense, all appropriate protective devices of any kind or character, which may be required to properly protect the Applicant's facilities. City shall not be responsible for any loss or damage occasioned or caused by the negligence, or wrongful act of the Applicant or of any of his agents, employees or licensees in omitting, installing, maintaining, using, operating or interfering with any such protective devices.
2. It shall be the Applicant's responsibility to select and install such protective devices as may be necessary to coordinate properly with City's protective devices to avoid exposing other Customers to unnecessary service interruptions.
3. It shall be the Applicant's responsibility to equip his three-phase motor installations with appropriate protective devices, or use motors with inherent features, to completely disconnect each such motor from its power supply, in accordance with National Electrical Code, giving particular consideration to the following:
 - a. Protection in each set of phase conductors to prevent damage due to overheating in the event of overload.
 - b. Protection to prevent automatic restarting of motors or motor driven machinery, which has been, subjected to a service interruption and, because of the nature of the machinery itself or the product it handles, cannot safely resume operation automatically.
 - c. Open-phase protection to prevent damage due to overheating in the event of loss of voltage on one phase.
 - d. Reverse-phase protection where appropriate to prevent uncontrolled reversal of motor rotation in the event of accidental phase reversal. (Appropriate installations would include, but are not limited to, motors driving elevators, hoists, tramways, cranes, pumps, conveyors, etc.)

4. The available short-circuit currents vary from one location to another, and also depends on available generation, condition of the system loads, and the ultimate design characteristics of City's supply and service facilities. Consult City for the ultimate maximum short-circuit current at each service termination point.
5. Where an Applicant proposes to use a ground-fault sensing protective system which would require special City-owned equipment, such a system may be installed only where feasible and with written approval of City.
6. Any non-City-owned emergency standby or other generation equipment that can be operated to supply power to facilities that are also designed to be supplied from City's system shall be controlled with suitable protective devices by the Applicant to prevent parallel operation with City's system in a fail-safe manner, such as the use of a double-throw transfer switch to disconnect all conductors, except where there is a written agreement or service contract with City permitting such parallel operation.

F. INTERFERENCE WITH SERVICE

1. GENERAL

City reserves the right to refuse to serve new loads or to discontinue supply to existing loads of a size or character that may be detrimental to City's operations or to the service of its Customers. Any Customer who operates or plans to operate any equipment such as, but not limited to, pumps, welders, saw mill apparatus, furnaces, compressors or other equipment where the use of electricity is intermittent, causes intolerable voltage fluctuations, or otherwise causes intolerable service interference, must reasonably limit such interference or restrict the use of such equipment upon request by City. The Customer is required either to provide and pay for whatever corrective measures are necessary to limit the interference to a level established by City as reasonable, or avoid the use of such equipment, whether or not the equipment has previously caused interference.

2. HARMFUL WAVE FORM

Customer shall not operate equipment that superimposes a current of any frequency or waveform upon City's system, or draws current from City's system of a harmful waveform, which causes interference with City's operations, or the service to other Customers, or inductive interference to communication facilities.

3. CUSTOMER'S RESPONSIBILITY

Any Customer causing service interference to others must diligently pursue and take corrective action after being given notice and a reasonable time to do so by City. If the Customer does not take corrective action in the time set, or continues to operate the equipment causing the interference without restriction or limit, City may, without liability, after giving five (5) days written notice to Customer, either install

and activate control devices on its facilities that will temporarily prevent the detrimental operation, or discontinue electric service until a suitable permanent solution is provided by the Customer and it is operational.

4. MOTOR STARTING CURRENT LIMITATIONS

- a. The starting of motors shall be controlled by the Customer as necessary to avoid causing voltage fluctuations that will be detrimental to the operation of City's distribution or transmission system, or to the service of any of City's customers.
- b. If the starting current for a single motor installation exceeds the value listed for Class C or better (per National Electrical Code Section 430) and the resulting voltage disturbance causes or is expected to cause detrimental service to others, reduced voltage starters or other suitable means must be employed, at the Customer's expense, to limit the voltage fluctuations to a level equivalent to a Class C motor.
- c. Where service conditions permit, subject to City's approval, motor starters may be deferred in the original installation. City may later order the installation of a suitable starter or other devices when it has been determined that the operation of the Customer's motors interfere with service to others. Also, City may require starting current values lower than those set forth herein where conditions at any point on its system require such reduction to avoid interference with service to other Customers.
- d. Starters may be omitted on the smaller motors of a group installation when their omission will not result in a starting current in excess of the allowable starting current of the largest motor of the group. Where motors start simultaneously, they will be treated as a single unit equal to the sum of their individual starting currents.
- e. City may limit the maximum size and type of any motor that may be operated at any specific location on its system to that which will not be detrimental to City's system operations or to the service of its customers, as determined by City.
- f. For installations of motors where the equipment is started automatically by means of float, pressure, or thermostat devices, such as with pumps or wind machines for frost protection, irrigation pumps or other similar installations, City may require the Customer to install, at his own expense and in accordance with City's operating requirements, suitable preset time-delay devices to stagger the automatic connection of load to the supply system and to prevent simultaneous start-up for any reason.

G. POWER FACTOR

When lighting devices, such as neon, fluorescent, luminous gaseous, mercury vapor, and other lighting equipment having low power factors are served on street lighting schedules, the Customer shall provide, at his own expense, power factor corrective equipment to increase the power factor of each complete lighting device to not less than 90 percent.

H. CONNECTED LOAD RATINGS

1. The connected load is the sum of the rated capacities of all of the Customer's electric utilization equipment that is served through one metering point and that may be operated at the same time, computed to the nearest one-tenth of a horsepower, kilowatt (kW) or kilovolt-ampere (kVA). Motors will be counted at their nameplate ratings in horsepower output and other devices at their nameplate input ratings in kW or kVA, except that resistance welders will be rated in accordance with the section of this rule regarding "Welder Service." Unless otherwise stated in the rate schedule, conversions between horsepower, kW and/or kVA ratings will be made on a one-to-one basis.
2. The normal operating capacity rating of any motor or other device may be determined from the nameplate rating. Where the original nameplate has been removed or altered, the manufacturer's published rating may be used or the rating determined by test at the expense of the Customer.
3. Motor-generator sets shall be rated at the nameplate rating of the alternating-current drive motor of the set.
4. X-Ray Equipment
 - a. X-ray equipment shall be rated at the maximum nameplate kVA input operating at the highest rated output amperes. If the kVA input rating is not shown, it will be determined for single-phase loads by taking the product of the amperes input rating times the input voltage rating divided by 1,000. For three-phase equipment, multiply this product times the square root of three (1.73).
 - b. Where X-ray equipment is separately metered and supplied from a separate transformer installed by City to serve the X-ray installation only, the kVA rating of City's transformer or the total X-ray equipment input capacity, whichever is smaller, will be considered the load for billing purposes.
5. Where a Customer operates a complete unit of equipment connected for three-phase service, but consisting of single-phase components which cannot be readily reconnected for single-phase service, City shall consider the connected load of such a unit as three-phase load.
6. Where a Customer has, or expects to have, permanently-connected, three-phase load that is used infrequently or for short duration, such as, but not limited to, equipment

for fire pumps, frost protection, flood control, emergency sirens or other similar installations which make it impractical to record proper demands on a monthly basis for billing purposes, the Customer may, for his own reasons and with City's approval, guarantee an appropriate billing demand or connected three-phase load for billing purposes in order to reserve suitable capacity in City's facilities.

I. SPECIAL FACILITIES

1. City normally installs only those standard facilities, which it deems are necessary to provide regular service in accordance with the tariff schedules. Where the Applicant requests City to install Special Facilities and City agrees to make such an installation, the additional costs thereof shall be borne by the Applicant, including such continuing ownership costs as may be applicable.
2. Special Facilities are: (a) facilities requested by an Applicant which are in addition to or in substitution for standard facilities which City would normally provide for delivery of service at one point, through one meter, at one voltage class under its tariff schedules, or (b) a pro rata portion of the facilities requested by an Applicant, allocated for the sole use of such Applicant, which would not normally be allocated for such sole use. Unless otherwise provided by City's rate schedules, Special Facilities will be installed, owned and maintained by City as an accommodation to the Applicant only if acceptable for operation by City, and the reliability of service to City's other customers is not impaired and Applicant funds construction and pays incremental costs.
3. Special Facilities will be installed under the terms and conditions of a contract in the form on file with the Utility. Such contract will include, but is not limited to, the following terms and conditions:
 - a. Where new facilities are to be installed for Applicant's use as Special Facilities, the Applicant shall advance to City the estimated additional installed cost of the Special Facilities over the estimated cost of standard facilities. At City's option, City may finance the new facilities.

J. WELDER SERVICE

1. RATING OF WELDERS

Electric welders will be rated for billing purposes as follows:

- a. **MOTOR-GENERATOR ARC WELDERS** - The horsepower rating of the motor driving a motor-generating type arc welder will be taken as the horsepower rating of the welder.
- b. **TRANSFORMER ARC WELDERS** - Nameplate maximum kVA input (at rated output amperes) will be taken as the rating of transformer type arc welders.

- c. RESISTANCE WELDERS - Resistance welder ratings will be determined by multiplying the welder transformer nameplate rating (at 50 percent duty cycle) by the appropriate factor listed below:

TYPE OF WELDER	TRANSFORMER NAMEPLATE RATING @ 50% Duty Cycle**	FACTOR City Owned Distribution Transformer
1. Rocker Arm, Press or Projection Spot	20 kVA or less	0.60
2. Rocker Arm, Press Spot Project Spot Flash or Butt Seam or Portable Gun	Over 20 kVA 21 to 75 kVA, inclusive 100 kVA or over All sizes	0.80
3. Flash or Butt	67 to 100 kVA, inclusive	***
4. Projection Spot Flash or Butt	Over 75 kVA 66 kVA or less	1.20
<p>** The kVA rating of all resistance welders to which these rating procedures are applied must be at or equivalent to 50 percent duty cycle operation. Duty cycle is the percent of the time welding current flows during a given operating cycle. If the operating kVA nameplate rating is for some other operating duty cycle, then the thermally equivalent kVA rating at 50 percent duty cycle must be calculated.</p> <p>*** Each flash or butt welder in this group will be rated at 80 kVA.</p>		

- d. Ratings prescribed by a, b, and c above normally will be determined from nameplate data or from data supplied by the manufacturer. If such data are not available or are believed by either City or Customer to be unreliable, the rating will be determined by test at the expense of the Customer.
- e. If established by seals approved by City, the welder rating may be limited by the sealing of taps, which provide capacity greater than the selected tap, and/or by the interlocking lockout of one or more welders with other welders.
- f. When conversion of units is required for tariff application, one welder kVA will be taken as one horsepower for rules stated on a horsepower basis and one welder kVA will be taken as one kilowatt for rates stated on a kilowatt basis.

2. BILLING OF WELDERS

Welders will be billed at the regular rates and conditions of the rules on which they are served, subject to the following provisions:

- a. CONNECTED LOAD TYPE OF SCHEDULE. Welder load will be included as part of the connected load with ratings as determined under Section 1, above, based on the maximum load that can be connected at any one time, and no allowance will be made for diversity between welders.

- b. DEMAND METERED TYPE OF SCHEDULE. Where resistance welders are served on these schedules, the computation of diversified resistance welder load shall be made as follows:

Multiply the individual resistance welder ratings, as prescribed in Sections 1.c. to 1.f. inclusive (above) by the following factors, and add to the results thus obtained:

- 1.0 times the rating of the largest welder
- 0.8 times the rating of the next largest welder
- 0.6 times the rating of the next largest welder
- 0.4 times the rating of the next largest welder
- 0.2 times the ratings of all additional welders

If this computed, diversified, resistance welder load is greater than the metered demand, the diversified resistance welder load will be used in lieu of the metered demand for rate computation purposes.

ELECTRIC RULE 3—APPLICATION FOR SERVICE

A. APPLICATIONS

City may require each Customer to sign an application for the service desired, and also to establish credit. Generally, applications for service will be taken over the telephone, but may be taken in person or received by mail.

Application form shall set forth:

1. Legal name of Applicant.
2. Location of Premises.
3. Date Applicant will be ready for service.
 - a. Service restoration: When the Customer's service has been terminated either because of a determination by City that an unsafe apparatus or condition exists on the Premises, or because the Customer has threatened to create a hazardous condition, service will not be restored until City determines the Customer's electrical wiring or equipment or the use of either, has been made safe. When service is denied or terminated solely under these sections, the Customer may seek remedies before the City Council.
 - b. When the Customer's service has been terminated because of an order of termination issued to City by a governmental agency, service will not be restored until City has received authorization to restore the service from the appropriate governmental agency.
4. Whether electric service was previously supplied to the Premises.
5. Purpose for which service is to be used, with description of appliances.
6. Address to which bills are to be mailed or delivered.
7. Whether Applicant is owner, agent, or tenant of Premises.
8. Rate schedule desired where an optional rate is available.
9. Information necessary to the design, installation, maintenance, and operation of City's facilities.
10. Such other information as City may reasonably require for service.

The application is merely a request for service, and does not in itself bind City to serve except under reasonable conditions, nor does it bind the Customer to take service for a longer period than the minimum requirements of the rate. City may disconnect or refuse

to provide service to the Applicant if the acts of the Applicant or the conditions upon the Premises indicate that false, incomplete, or inaccurate information was provided to City. City shall provide the Applicant the reason for such refusal.

C. INDIVIDUAL LIABILITY FOR JOINT SERVICE

Where two or more persons join in one application or contract for service, they shall be jointly and severally liable thereunder and shall be billed by means of a single periodic bill mailed to the person designated on the application to receive the bill. Whether or not City obtained a joint application, where two (2) or more adults occupy the same Premises, they shall be jointly and severally liable for bills for energy supplied.

D. CHANGE OF CUSTOMER'S APPARATUS OR EQUIPMENT

In the event that the Customer shall make any material change either in the amount or character of the loads, protective equipment, or characteristic apparatus changes (reactive vs. inductive loads) installed upon the Premises to be supplied with electric energy by City, the Customer shall immediately give City written notice of this fact.

ELECTRIC RULE 4—CONTRACTS

Contracts will not be required as a condition precedent for service except:

1. As may be required by conditions set forth in the regular schedule of rates approved or accepted by the City.
2. In the case of electric extensions, temporary service, or service to speculative projects, in which case a contract may be required.

ELECTRIC RULE 5—SPECIAL INFORMATION REQUIRED ON FORMS

A. CONTRACTS

Each contract for electric service will contain the following provisions: “This contract shall at all times be subject to such changes or modification by the City Council as may, from time to time, direct in the exercise of its jurisdiction.”

B. CUSTOMERS’ BILLS

Each bill for electric service will include the following statements: “This bill is now due and payable. If you believe your bill is incorrect, call the MVU Customer Service Center. If you are not satisfied with the explanation provided and still believe you have been billed incorrectly, send the bill and a statement supporting your belief that the bill is not correct to the City of Moreno Valley Council Utility Hearing Board (Board) at 14177 Frederick Street, Moreno Valley, CA 92552. To avoid having service turned off if the bill has not been paid, enclose a deposit for the amount of the bill made payable to City Council. If you are unable to pay the amount in dispute, you must inform the Board of your inability to pay. Your service will remain on until the Board completes its review. The Board will review the basis of the billed amount, communicate the results of its review to the parties and make disbursement of the deposit. The Board will not, however, accept deposits when the dispute appears to be over matters that do not directly relate to the accuracy of the bill. Such matter includes the quality of a utility’s service, general level of rates, pending rate changes, and sources of fuel and power.”

C. DISCONTINUANCE OF SERVICE NOTICE

Each Discontinuance of Service Notice for nonpayment of bills will include the following information:

1. The name and address of the Customer whose account is delinquent.
2. The amount of the delinquency.
3. The date by which payment (or arrangements for payment) is required, or the date by which the dispute must be documented in order to avoid termination.
4. The procedure by which the Customer may initiate a complaint or request an investigation concerning service or charges as defined herein.
5. The telephone number of a representative of City who can provide additional information or institute arrangements for payment.
6. The telephone number of the Board to which inquiries by the Customer may be directed.

ELECTRIC RULE 6—ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

An Applicant for City service may be required to establish credit. A Customer whose City service has been terminated for nonpayment of an energy bill or whose payments have been past due, as set forth below, may be required to re-establish credit.

A. ESTABLISHMENT OF CREDIT

When, for Applicant's convenience, City provides service to the Applicant before credit is established and the Applicant fails to establish credit in accordance with this rule, service may be terminated after notice is given in accordance with these regulations.

Credit can be established if the Applicant:

- a. is the owner with a substantial equity, of value satisfactory to City, in the Premises to be served; or
- b. makes a deposit to secure payment of bills as prescribed in Rule 7; or
- c. furnishes a qualified guarantor to secure payment of Applicant's City bills; or
- d. has been a Customer of City for a similar type of service within the past two years, and during the last twelve consecutive months of that prior service, Customer has had not more than two past due bills as defined in Rules 8 and 11. The periodic bill for such previous service must equal at least 50 percent of the estimated bill amount(s) for the new service, and provided further, that the credit of Applicant is unimpaired in the opinion of City; or
- e. otherwise establishes credit to the satisfaction of City; and
- f. has paid all bills for nonresidential electric service previously supplied to Applicant by City.

B. RE-ESTABLISHMENT OF CREDIT

1. An Applicant who previously has been a Customer of City, and whose electric service has been discontinued by City during the last twelve (12) months of that prior service because of nonpayment of bills, may be required to re-establish credit.
 - a. A Customer who fails to pay bills before they become past due and who further fails to pay such bills within five days after presentation of a discontinuance of service notice for nonpayment of bills, may be required to pay said bills and re-establish credit by depositing the amount established by City. A deposit may be required regardless of whether or not service has been discontinued for such nonpayment.

ELECTRIC RULE 7—DEPOSITS

A. AMOUNT OF DEPOSIT

1. ESTABLISHMENT OF CREDIT

- a. Residential accounts: The amount of deposit required to establish credit shall be twice the average monthly bill as estimated by City.
- b. Nonresidential accounts: The amount of deposit required to establish credit shall be twice the maximum monthly bill as estimated by City.
- c. Residential and nonresidential accounts: The amount of deposit taken to establish credit shall be subject to adjustment upon request by the Customer or upon review by City.

2. RE-ESTABLISHMENT OF CREDIT

Should the Customer's payment history with the City warrant it, the City may require the Customer to re-establish credit by paying a re-establishment deposit. The amount of deposit required to re-establish credit will be twice the maximum monthly bill as determined by City.

B. RETURN OF DEPOSIT

1. City may refund a Customer's deposit by draft or by applying the deposit to the Customer's account. If the Customer establishes service at a new location, City may retain the deposit for such new account, subject to the conditions of Sections B.3 and B.4 below.
2. Upon discontinuance of service, City will refund the Customer's deposit or the balance thereof that is in excess of unpaid bills for service furnished by City.
3. When the Customer's credit is otherwise established, City will refund the deposit either upon the Customer's request for return of the deposit or upon review by City.
4. City will review the Customer's account at the end of the first twelve- (12) months that the deposit is held and each month thereafter. After the Customer has had not more than two past due bills during the twelve (12) months prior to any such review, and has not had service temporarily or permanently discontinued for nonpayment of bills during such period, the deposit will be refunded in accordance with this section.
5. Deposits cannot be used to offset past due bills or to avoid or delay discontinuance of service.

C. INTEREST ON DEPOSIT

1. City will pay interest on deposits, except as provided below. Interest shall be calculated on a daily basis, and compounded at the end of each calendar month, from the date fully paid to the date of refund by check or credit to the Customer's account. The interest rate applicable in each calendar month may vary and shall be equal to 1/12th of the interest rate on commercial paper (prime, 3 months) for the previous month as reported in the Federal Reserve Statistical Release, G.13, or its successor publication; except that when a refund is made within the first fifteen (15) days of a calendar month, the interest rate applicable in the previous month shall be applied for the elapsed portion of the month in which the refund is made.
2. No interest will be paid if service is temporarily or permanently discontinued for nonpayment of bills.
3. No interest will be paid for those months where the bill is paid after the due date (late pay or over date).

ELECTRIC RULE 8—NOTICES

Any notice pursuant to City's rules may be given to the Customer in writing. Written notice is effective when it is either: (1) presented to the Customer, or (2) mailed to the Customer at the address where the Customer is receiving service, or (3) mailed to the customer at the mailing address provided by the Customer, or (4) delivered by door hanger at the address where the Customer is receiving service. City may also provide the Customer with verbal notice in person or by telephone. Any notice pursuant to City's rules from the Customer or the Customer's authorized agent may be given to City by telephone, in person, or in writing. Verbal notice is acceptable unless written notice is requested by City or required by the rules.

A. NOTICES OF TERMINATION OF SERVICE FOR NONPAYMENT

Monthly bills for residential service are due and payable upon presentation and will be considered past due if payment is not received by City within fifteen (15) days after the bill is mailed to the Customer. Deposit requests are due and payable when request for service is made. When a deposit is billed, it will be considered past due if payment is not received by City within fifteen (15) days after the deposit request is mailed. If the past due amount is not paid, service may be terminated for nonpayment in accordance with Rule 11. A Field Notification Charge may appear on your next bill if City posts a collection notice at your Premises. If a termination order is processed for your account due to nonpayment, payment of the balance in full, plus a Collection Processing Fee and Deposit may be required prior to restoration of service. The Processing Fee may be charged whether or not electric service is actually terminated if the arrears balance is paid after the payment deadline has passed. Unpaid closing bills may be reported or forwarded to a credit reporting agency.

1. 10-DAY NOTICE

When a bill for service or deposit request has become past due, City will mail the Customer a notice that service may be terminated for nonpayment in 10 calendar days.

2. 24-HOUR NOTICE

When the past due balance on a 10-day notice is unpaid, City will make a reasonable attempt to contact an adult residing at the service address either by telephone or in person at least 24 hours prior to terminating service.

3. NOTICE OF TERMINATION OF SERVICE FOR NONPAYMENT OF PAYMENT ARRANGEMENT AGREEMENT

When City and the Customer enter into a payment arrangement agreement and the Customer does not abide by the terms of the agreement, in whole or in part, City will give the Customer at least 24 hours notice by telephone or in person prior to terminating service for nonpayment.

B. NOTICES FOR UNPAID CLOSING BILLS

Closing bills are due and payable upon presentation and will be considered past due if payment is not received by City within fifteen (15) days after the closing bill is mailed to the Customer. When City determines that the Customer has an open account for City service at one location and an unpaid closing bill in the Customer's name for City service at another location, City may transfer the unpaid closing bill to the open account, except that the unpaid closing bills for nonresidential service may not be transferred to a residential account. Before the Customer's open account may be terminated for nonpayment of the closing bill, the Customer will be given notices in accordance with Section A of this Rule.

ELECTRIC RULE 9—RENDERING AND PAYMENT OF BILLS

A. BILLS PREPARED AT REGULAR INTERVALS

Bills for electric service will be rendered at regular intervals. All bills will be based on meter registration, except as provided in Section C below, or as may otherwise be provided in City's rules. Meters will be read as nearly as possible at regular intervals. Except as otherwise stated, the regular billing period will be once each month. Due to Sundays and holidays and other factors, it is not always possible to read meters on the same day of each month.

B. PRO RATA CORRECTION

Opening and closing bills rendered will be computed in accordance with the rate schedule applicable to that service, unless otherwise provided in this rule, or in the applicable rate schedule. The basic charge, customer charge, the amount of energy blocks, demand blocks, etc., and the service charge, demand charge, or minimum charge will be prorated on the basis of the number of days in the period in question to the total number of days in the subject month. However, where daily equivalents are used, there will be no pro rata correction. Instead, the calculation shall use the number of days in the billing period multiplied by the daily equivalent charge.

When one or more regularly scheduled meter readings have been missed, the proration factor for the next regularly scheduled meter reading shall be 1.000 times the number of monthly billing cycles in the period. When an interim bill based on a special reading for a period other than 27 to 33 days has been issued during the interval since the last regularly scheduled meter reading, the proration factor for the regularly scheduled bill shall be the factor derived above, less the proration factor applied to the interim bill. However, where daily equivalents are used, there will be no pro rata correction. Instead, the calculation shall use the number of days in the billing period by the daily equivalent charge.

C. ESTIMATED BILLS

If, because of unusual conditions or for reasons beyond its control, City is unable to read the Customer's meter on the scheduled reading date, City may bill the Customer for estimated consumption during the billing period, and make any necessary corrections when a reading is obtained. Estimated consumption for this purpose will be calculated considering the Customer's prior usage, City's experience with other customers of the same class in that area, and the general characteristics of the Customer's operations. Adjustments for any underestimate or overestimate of a Customer's consumption will be reflected on the first regularly scheduled bill rendered and based on an actual reading following the period of inaccessibility.

D. READINGS OF SEPARATE METERS NOT COMBINED

For the purpose of making charges, each meter upon the Customer's Premises will be considered separately, and the readings of two or more meters will not be combined, except as follows:

1. Where combinations of meter readings are specifically provided for in rate schedules; or
2. Where City's operating convenience or necessity shall require the installation of two or more meters upon the Customer's Premises instead of one meter.

E. BILLS DUE ON PRESENTATION

Bills for electric service are due and payable upon presentation. Payments shall be received at the office of City, or by an authorized agent of City.

F. CLOSING BILL PAYABLE ON PRESENTATION

Removal bills, special bills, bills rendered on vacation of Premises, or bills rendered to persons discontinuing the service, shall be due and payable upon presentation. Bills for connection or reconnection of service and payments for deposits or to re-establish credit as required under the rules of City shall be paid before service will be connected or reconnected.

G. RETURNED CHECK CHARGE

If a check, tendered in payment of amounts owing City, is not honored by a bank and is returned to City unpaid, City will add to the Customer's bill a charge for processing each such returned check consistent with these rules. Where service is subject to discontinuance under Rule 11, the returned check charge shall be included in the total amount due and payable.

H. FIELD NOTIFICATION AND COLLECTION PROCESSING FEES

City will require payment of a Collection Processing Fee when an authorized City representative makes a field call to a Customer's Premises to discontinue electric service in accordance with Rule 11 for nonpayment of a past due billing. City will also assess the Collection Processing Fee when an authorized City representative makes a field call to discontinue electric service for nonpayment of a deposit that was requested in accordance with Rule 6.

Where service is discontinued under the provisions of Rule 11, City will require payment of the balance in full, the balance of any unpaid closed accounts, plus any assessed Field Notification Charges, Collection Processing Fees and Deposits prior to restoration of service.

If the Customer makes payment in full or makes acceptable payment arrangements in order to avoid discontinuance of service, City may still assess the Processing Fee.

The City may assess a Field Notification Charge when notification must be made due to nonpayment. Generally these notifications are in the form of a door hanger left at the Customer's Premises. The Field Notification Charge is in addition to any Collection Processing Fees that may apply.

I. LATE PAYMENT CHARGE

A late payment charge of 0.9% per month will be applied to the total unpaid balance of a Customer Account if the Customer's payment is not received by the date indicated on the Customer Account billing.

J. ACCUMULATIVE AMOUNT DUE

City reserves the right to accumulate bills until the total amount due exceeds \$2.00.

ELECTRIC RULE 10—DISPUTED BILLS

A. CORRECTNESS OF BILL

If the correctness of a bill is questioned or disputed by a Customer, an explanation should be promptly requested from the Customer Service Center. If the bill is determined to be incorrect, a corrected bill will be issued.

B. BILL REVIEW PROCEDURE

A Customer who has initiated a complaint or requested an investigation shall be given an opportunity for review of his complaint by the City Utility Hearing Board.

1. After review, when a Customer and City agree on the amount of the bill, City will determine and advise the Customer: (a) if a payment arrangement to pay the unpaid balance is warranted, or (b) the date the unpaid balance of his account must be paid. If a payment arrangement is warranted and agreed to by the Customer, service will not be discontinued for nonpayment for any Customer complying with such payment arrangement agreement, provided the Customer also keeps current on his account for utility service as charges accrue in each subsequent billing period. If the Customer fails to comply with any such payment arrangement agreement, service shall be subject to discontinuance for nonpayment of bills as provided Rule 11.
2. After review, when a Customer and City fail to agree on the amount of the bill, and upon review, City has determined to its satisfaction that the bill is correct, City will inform the Customer that:
 - a. City has completed its investigation and review.
 - b. In lieu of paying the disputed bill, Customer may deposit with the City Council at its local office, the amount claimed by City to be due. A check or other form of remittance for such deposit should be made payable to the City Council. A Customer who is unable to deposit the full amount in dispute for a bill covering a period in excess of 90 days shall deposit an amount equal to 90 days at the average disputed charge per day of the disputed bill.
 - c. The Customer shall submit the disputed bill and a statement setting forth the basis for the dispute of the amount billed. The Board will not, however, accept deposits when the dispute appears to be over matters that do not directly relate to the accuracy of the bill. Such matters include the quality of a utility's service, general level of rates, pending rate applications, and sources of fuel and power. Disputes over termination policy will be resolved in accordance with Rule 11, which does not require such a deposit.
 - d. Upon receipt of the deposit, the Board will notify City, review the basis of the billed amount, and advise both parties of its findings and disburse any deposit in accordance therewith.

- e. Service will not be discontinued for nonpayment of the disputed bill when deposit has been made with the Board or notice of inability to pay per Rule 5 pending the outcome of the Board's review.
- f. Failure of the Customer to submit a dispute to the Board in accordance with this Rule above will warrant discontinuance of service in accordance with Rule 11.
- g. If, before completion of the Board's review, additional bills become due which the Customer also wishes to dispute, he should follow the procedures set forth in this Rule with regard to the additional amounts claimed by City to be due. Failure to follow the procedures in this Rule will warrant discontinuance of service in accordance with Rule 11.
- h. Subsequent bills, not in dispute, rendered prior to the settlement of the disputed bill, will be due and payable in accordance with Rules 9 and 11.

ELECTRIC RULE 11—DISCONTINUANCE AND RESTORATION OF SERVICE

If City terminates or refuses to restore service to a Customer or any other person for any of the reasons or upon any of the grounds stated herein, City shall incur no liability whatsoever to said Customer or person or to any other Customers or persons.

A. CUSTOMER REQUEST TO TERMINATE LIABILITY FOR PAYMENT FOR SERVICE

When a Customer wants to terminate liability for payment for service, the Customer shall give City not less than two days notice and state the date on which the termination is to become effective. The Customer may be held responsible for service furnished at the Premises until two days after receipt of such notice by City, or until the date of termination specified in the notice, whichever date is later.

B. TERMINATION OF SERVICE FOR NONPAYMENT—WEEKENDS AND HOLIDAYS

Service will not be terminated for nonpayment of bills or deposit requests on Saturdays, Sundays, legal holidays or on days when the offices of City are closed to the public.

C. TERMINATION OF SERVICE FOR NONPAYMENT OF BILLS OR DEPOSIT REQUESTS

Monthly bills are due and payable upon presentation and will be considered past due if payment is not received by City within 15 days after the bill is mailed to the Customer. Deposit requests are due and payable when request for service is made. When a deposit is billed, it will be considered past due if payment is not received by City within 15 days after the deposit request is mailed to the Customer. Customers who fail to pay their bills within this time period are subject to service disconnection.

D. FAILURE TO ESTABLISH OR RE-ESTABLISH CREDIT

When City provides service to an Applicant before credit is established or continues service to a Customer pending re-establishment of credit, and the Applicant/Customer fails to establish or re-establish credit, any and all services the Customer is receiving may be terminated after notice has been given. City will not restore the Customer's service until the Customer has complied with the requirements to establish or re-establish credit.

E. TERMINATION OF SERVICE FOR NONPAYMENT OF BILLS AT OTHER LOCATIONS

Any and all services the Customer is receiving may be terminated for nonpayment of a bill for service previously supplied by City to the same Customer at another location after the Customer has been given notices of termination, except that residential service shall not be terminated for nonpayment of a bill for any other class of service. Nonresidential service may be terminated for nonpayment of a bill for any class of service. Service shall

not be terminated for nonpayment within 15 days after establishment of service at the new location. If the Customer is receiving service at more than one location, any or all services may be terminated with proper notice for nonpayment of any bill at any location for City service.

F. TERMINATION OF SERVICE—RETURNED CHECKS

When the Customer has received notice of termination and a check tendered in payment of the past due bill or deposit request for service is returned unpaid, City may terminate service. When the Customer has received a 10-day notice of termination, the notice will remain in effect, and collection action will continue. When the Customer has received a 24-hour notice of termination, the notice will remain in effect, and service may be terminated without further notice.

G. UNSAFE APPARATUS OR CONDITION

1. City may deny or terminate service to the Customer immediately and without notice when:
 - a. City determines that the Premises wiring, or other electrical equipment, or the use of either, is unsafe, or endangers City's service facilities; or
 - b. The Customer threatens to create a hazardous condition; or
 - c. Any governmental agency, authorized to enforce laws, ordinances or regulations involving electric facilities and/or the use of electricity, notifies City in writing that the Customer's facilities and/or use of electricity is unsafe or not in compliance with applicable laws, ordinances, or regulations. City does not assume the responsibility of inspecting or repairing the Customer's facilities, appliances or other equipment for receiving or using service, or any part thereof. In the event the Customer has knowledge that the service is in any way defective, it is the Customer's responsibility to notify City at once. City shall not be liable or responsible for any plumbing, appliances, facilities, or apparatus beyond the point of delivery, which it does not own or maintain in accordance with these rules.

H. SERVICE DETRIMENTAL TO OTHER CUSTOMERS

City will not supply service to a Customer operating equipment, which is considered by City to be detrimental to either the service of other City Customers or to City. City will terminate service and refuse to restore service to any Customer who continues to operate such equipment after receiving notification from City to cease.

I. UNAUTHORIZED USE

1. City may terminate service without notice for unauthorized use of service as defined in Rule 17.2. When the Customer's service has been terminated under this section, City may refuse to restore service until:
 - a. the unauthorized use has ceased, and
 - b. City has received full compensation for all charges authorized in Rule 17.2.
2. City may terminate and refuse to restore service if the acts of the Customer or conditions on the Premises indicate intent to deny City full compensation for services rendered, including, but not limited to, any act which may result in a denial of service. City shall provide the Customer with the reasons for such termination and/or refusal to restore service. When the Customer's service has been terminated under this section, City may refuse to restore service until:
 - a. the acts and/or the conditions described above have ceased or have been corrected to City's satisfaction, and
 - b. City has received full compensation for all charges resulting from the Customer's acts or the conditions on the Premises.

J. NONCOMPLIANCE WITH CITY'S RATES

Unless otherwise specifically provided, City may terminate service to a Customer for noncompliance with any of City's rules if the Customer fails to comply within five days after the City's presentation of written notification of noncompliance to the Customer. The Customer shall comply with City's rules before service will be restored.

K. REVOCATION OF PERMISSION TO USE PROPERTY

If City's service facilities and/or a Customer's wiring to the meter are installed on property other than the Customer's property and the owner of such property revokes permission to use it, City will have the right to terminate service upon the date of such revocation. If service is terminated under these conditions, the Customer may have service restored under the provisions of City's line and service extension rules.

L. CHARGES FOR TERMINATION AND/OR RESTORATION OF SERVICE

1. City may require payment of the entire amount due, including the past due amount and current charges, payment of a deposit or additional deposit in accordance with Rule 7, and payment of other charges indicated herein, prior to restoring service to accounts which have been terminated for nonpayment.
2. City will require a returned check charge for processing a check, which is returned to City unpaid.

3. City will require payment of a Collection Processing Fee when a City representative makes a field call to a Customer's Premises to terminate service for nonpayment of bills or deposit.
4. City will require payment of a Collection Processing Fee per connection before restoring service that has been terminated for nonpayment of bills, to prevent fraud, or for failure to comply with City's rules. If the Customer requests that service be restored outside of regular business hours, an additional charge per connection may apply. Refer to the Chart of Charges and Fees for amounts of applicable charges.
5. In addition, City may charge and collect any unusual costs incidental to the termination or restoration of service, which have resulted from the Customer's action or negligence.
6. Service wrongfully terminated will be restored without charge.

ELECTRIC RULE 12—RATES AND OPTIONAL RATES

A. EFFECTIVE RATES

The rates to be charged by and paid to City for electric service will be the rates legally in effect, approved by the City Council, and on file with the Electric Utility Division, Department of Public Works. Complete schedules of all rates in effect will be kept at all times in City Utility's local office, where they will be available for public inspection. Unless stated otherwise on the rate schedules themselves, City's rate schedules are only applicable for service supplied entirely by City.

B. ESTABLISHING RATE SCHEDULES FOR NEW CUSTOMERS

At the time of application for service, City will, based on information provided by the Applicant, ensure that the Applicant is placed on an applicable rate schedule approved by the City Council. Thereafter, City will take such measures as may be practical to provide the Customer with information regarding rate schedules or options applicable to the Customer's class of service.

C. CHANGING RATE SCHEDULES

City may not be required to make more than one change in rate schedules within a twelve-month period unless a new rate schedule is approved or the Customer's operating conditions have changed sufficiently to warrant a change in rate schedule.

Changes in rate schedules will take effect starting with the next regular meter reading date or meter change date following receipt of the Customer's request to change the rate schedule, unless (1) the rate schedule states otherwise, (2) a written agreement between City and the Customer specifies another date, or (3) the required metering equipment is unavailable. In those cases, the change of schedule will take effect on the date stated in the schedule or agreement, or the date the metering equipment is available. It is the Customer's responsibility to request another schedule or option if the Customer's connected load, hours of operation, type of business or type of service have changed. Where the Customer changes equipment or operation without notifying City, City assumes no responsibility for advising the Customer of other rate options available to the Customer as a result of the Customer's equipment/operation changes.

D. NOTIFYING CUSTOMERS OF NEW RATE SCHEDULES

Where City establishes new rate schedules, City shall take such measures as may be practical to advise affected Customers of the availability of the new rate schedules.

E. ENERGY COST ADJUSTMENT

The energy charge is based upon the percentage of the energy being provided by the Department of Water Resources to the investor owned utility on the billing date of each monthly billing and will be adjusted each month. These adjustments could result in slight decreases or increase in the energy charge.

ELECTRIC RULE 13—TEMPORARY SERVICE

A. ESTABLISHMENT OF TEMPORARY SERVICE

City shall, if no undue hardship to its existing Customers will result therefrom, furnish temporary service under the following conditions:

1. The Applicant shall pay, in advance or otherwise as required by City, the estimated cost installed plus the estimated cost of removal, less the estimated salvage of the facilities necessary for furnishing service.
2. The Applicant shall establish credit as required by Rule 6, except that the amount of deposit prescribed in Rule 7 shall not exceed the estimated bill for the duration of service.

B. CHANGE TO PERMANENT STATUS & REFUNDS

1. If service to the electrical machinery or apparatus as originally installed, or its equivalent, is supplied to a temporary Customer on a continuous, intermittent or seasonal basis for a period of 36 consecutive months from the date electric service first was delivered under this rule, the Customer shall be classified as permanent. The payment made in excess of that required for permanent service or under the line extension rule for permanent Customers shall be refunded, provided the Customer then complies with all of the rules applicable to electric service.
2. If at any time the character of a temporary Customer's operations changes so that, in the opinion of City, the Customer may be classified as permanent, the amount of payment made in excess of that required for permanent service immediately shall be refunded to the Customer under the provisions of this section.

ELECTRIC RULE 14—SHORTAGE OF SUPPLY AND INTERRUPTION OF DELIVERY

City will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of electric energy to the Customer, but does not guarantee continuity or sufficiency of supply. City will not be liable for interruption or shortage or insufficiency of supply, or any loss or damage of any kind of character occasioned thereby. City will not be liable for interruption or shortage or insufficiency of supply. If same is caused by inevitable accident, act of God, fire, strikes, riots, war, or any other cause except that arising from its failure to exercise reasonable diligence. City, whenever it shall find it necessary for the purpose of making repairs or improvements to its system, will have the right to suspend temporarily the delivery of electric energy. In case of shortage of supply and during the period of such shortage, City will make such apportionment of its available supply of energy among its customers as shall be ordered or directed from time to time by the State of California, acting either directly or by a power administrator or other official appointed by it for that purpose. In the absence of such order or direction, City will, in times of shortage, apportion its available supply of energy among all customers in the most reasonable manner possible.

ELECTRIC RULE 15—DISTRIBUTION LINE EXTENSIONS

APPLICABILITY: This rule is applicable to extension of electric distribution lines of City's standard voltages (less than 50 kV) necessary to furnish Permanent electric service to Applicants and will be made in accordance with the following provisions:

A. GENERAL

1. EXTENSION BASIS

- a. **Design:** City will be responsible for planning, designing, and engineering extensions using City's standards for material, design, and construction. The Applicant will furnish all necessary plot plans, utility plans, street improvement plans, tract maps and electric loads for the design of the system.

The Applicant may design the electrical Distribution Lines using qualified design firms approved by the City. The system will be designed in accordance with the City's standards and the final design will be approved by the City. Ownership of Applicant's final design and as-built documents shall be transferred to City upon completion of work.

- b. **Ownership:** The facilities installed under the provisions of this rule, shall be owned, operated, and maintained by City, except for substructures and enclosures that are on, under, within, or part of a building or structure.
- c. **Private Lines:** City shall not be required to serve any Applicant from extension facilities that are not owned, operated, and maintained by City.

2. EXTENSION LOCATIONS

- a. **Rights Of Way:** City will own, operate and maintain extension facilities only;
- 1) along public streets, alleys, roads, highways and other publicly dedicated ways and places which City has the legal right to occupy, and
 - 2) along public lands and private property across which rights of way and permits satisfactory to City may be obtained without cost to or condemnation by the City.
- b. **Normal Route Of Line:** The length and normal route of an extension will be determined by City and shall be considered as the distance along the shortest, most practical, available, and acceptable route which is clear of obstructions from City's nearest permanent and available distribution facility to the point from which the service facilities will be connected.

3. UNDERGROUND EXTENSIONS

Underground extensions shall be installed where required to comply with applicable laws and ordinances or similar requirements of governmental authorities having jurisdiction and where City maintains or desires to maintain underground distribution facilities.

4. OVERHEAD EXTENSIONS

Overhead extensions may be installed only where underground extensions are not required by other jurisdictions and as approved by City.

5. SPECIAL OR ADDED FACILITIES

Any special or added facilities City agrees to install at the request of Applicant will be installed at Applicant's expense in accordance with Rule 2— Description of Service.

6. TEMPORARY SERVICE

Facilities installed for temporary service or for operations of speculative character or questionable permanency shall be made in accordance with the fundamental installation and ownership provisions of this rule, except that all charges shall be made under the provisions of Rule 13—Temporary Service.

7. SERVICES

Service facilities connected to the Distribution Lines to serve an Applicant's Premises will be installed, owned and maintained as provided in Rule 16—Service Extensions.

8. STREET LIGHTS AND AREA LIGHTS

Streetlights, area lights, and other associated facilities shall be installed in accordance with the service provisions of the applicable street light schedule.

9. CONTRACTS

Each Applicant requesting an extension will be required to execute a written contract(s), prior to City performing its work on the extension. Such contracts shall be in the form on file with the Electric Utility Division, Department of Public Works.

B. INSTALLATION RESPONSIBILITIES

1. UNDERGROUND EXTENSIONS

- a. Applicant Responsibility: In accordance with City's design, specifications, and requirements, Applicant is responsible for;
- 1) Excavation: All necessary trenching, backfilling, compaction and other digging as required as well as any pavement cutting or repair.
 - 2) Substructures and Conduits: Furnishing, installing, and upon acceptance by City, conveying to City the ownership of all necessary installed Substructures and Conduits, including Feeder and Service Conduits and related Substructures required to extend to and within subdivisions and developments.
 - 3) Protective Structures: Furnishing, installing, and upon acceptance by City, conveying to City the ownership of all necessary Protective Structures.
 - 4) Safety Barriers and Measures: Applicant is responsible for providing safety barriers, signs, and other suitable means to protect public from potential injuries arising from construction of underground extension.
- b. City Responsibility: City is responsible for installing cables, switches, transformers, and other distribution facilities as required to complete the extension.

The Applicant may install the system in accordance with the City's design and construction standards using qualified electrical contractors approved by the City.

2. OVERHEAD EXTENSIONS

City is responsible for installing all facilities required for a pole line extension at the Applicants expense and only where underground extensions are not required.

3. PERFORMED WORK

Where requested by Applicant and mutually agreed upon, City may perform that portion of the new extension work normally installed by Applicant, provided Applicant pays City its total estimated installed cost. Upon completion of the work, the difference between the estimated and actual cost of the work will be refunded or billed to the Applicant as appropriate.

C. CONTRIBUTIONS OR ADVANCES BY APPLICANT

1. CASH ADVANCE

A cash advance will be required from every Applicant. If the scope of the work lends itself to progress payments in the sole judgment of the city, such progress payments will be considered by the City. The cash advance will be equal to the City's total estimated installed cost to complete an extension including transformers and meters. Upon completion of the work, the difference between the estimated and actual cost of the work will be refunded or billed to the Applicant as appropriate.

Applicant shall contribute or advance, before the start of City's construction, the following;

- a. **Underground Non-Refundable Amount:** Applicant's contribution is the portion of the City's total estimated installed cost, to complete the underground extension including transformers and meters for;
 - 1) **Cabling:** The estimated installed cost of any necessary cabling installed by City to complete the underground extension. This includes the cost of conversion of existing single-phase lines to three-phase lines, if required; plus
 - 2) **Substructures:** City's estimated value of substructures installed by Applicant and deeded to City as required.
 - 3) The cost of cabling and substructures installed and/or paid for by a previous Customer or developer in anticipation of providing service to the current Customer or development.
- b. **Underground Refundable Amount:**
 - 1) The cost of cabling and substructures in anticipation of providing service to a future Customer or developer. Such costs will be refunded at the time they are collected from the future Customer or developer in accordance with this Rule.
- c. **Overhead Non-Refundable Amount:** Applicant's contribution is the portion of the City's total estimated installed cost to complete the overhead extension including transformers and meters;
 - 1) **Pole Line;** All necessary facilities required for an overhead extension and, if required, the conversion of existing single-phase lines to three-phase lines; plus

- 2) Transmission Underbuilds; City's total estimated installed cost of the underbuild, where all or a portion of an overhead extension is to be constructed on existing poles.
- d. Other Non-Refundable Amounts: Applicant's non-refundable amount includes the City's estimated value of excavation, conduits, and protective structures required by City for the extension. The applicant will pay the City for the cost of inspection of any facilities installed by the applicant.
- e. NOTE: ITCC is not a component in City's costs.

4. JOINT APPLICANTS

The total contribution or advance from a group of Applicants will be apportioned among the members of the group in such manner as they may mutually agree.

5. PAYMENT ADJUSTMENTS

Excess Facilities: If the loads provided by Applicant(s) result in City having installed facilities which are in excess of those needed to serve the actual loads, and City elects to reduce such excess facilities, Applicant shall pay City its estimated total costs to remove, abandon, or replace the excess facilities, less the estimated salvage of any removed facilities.

D. SPECIAL CONDITIONS

1. FACILITY RELOCATION OR REARRANGEMENT

Any relocation or rearrangement of City's existing facilities, at the request of, or to meet the convenience of an Applicant or Customer, and agreed upon by City, normally shall be performed by City. In all instances, City shall abandon or remove its existing facilities, at the option of City. Applicant or Customer shall be responsible for the costs of all related relocation, rearrangement and removal work.

ELECTRIC RULE 16—SERVICE EXTENSIONS

APPLICABILITY: This rule is applicable to both (1) City service facilities that extend from City's distribution line facilities to the service delivery point, and (2) service related equipment required of Applicant on Applicant's Premises to receive electric service.

A. GENERAL

1. DESIGN

City will be responsible for planning, designing, and engineering its Service Extension using City's standards for design, materials and construction. City will allow Applicant's design with City's approval.

2. SERVICE FACILITIES

City's service facilities shall consist of (a) primary or secondary underground or overhead service conductors, (b) poles conduits, sleeves, pedestals, pads, or structures to support service conductors, and service transformers, (c) City-owned metering equipment, and (d) other City-owned service related equipment.

3. OWNERSHIP OF FACILITIES

Service facilities installed under the provisions of this rule shall be owned, operated, and maintained by City if they are (a) located in the street, road or franchise area of City, (b) installed by City under on Applicant's Premises for the purpose of the delivery of electric energy to Applicant, or installed by Applicant under the provisions of this rule, and conveyed to City.

4. PRIVATE LINES

City shall not be required to connect service facilities to or serve any Applicant from electric facilities that are not owned, operated, and maintained by City.

5. SPECIAL OR ADDED FACILITIES

Any special or added facilities City installs at the request of Applicant, will be installed at Applicant's expense in accordance with Rule 2-Description of Service.

6. TEMPORARY SERVICE FACILITIES

Service facilities installed for temporary service or for operations of speculative character or questionable permanency shall be made in accordance with the fundamental installation and ownership provisions of this rule, except that all charges shall be made under the provisions of Rule 13-Temporary Service.

7. STREET LIGHTS AND AREA LIGHTS

Streetlight and area light services and other associated facilities shall be installed in accordance with the service provisions of the applicable street light schedule.

8. CONTRACTS.

Each Applicant requesting service may be required to execute a written contract(s) prior to City performing its work to establish service. Such contracts shall be in the form on file with the Public Works Department, Electric Utility Division office.

9. DISTRIBUTION LINE EXTENSIONS

Whenever City's distribution system is not complete to the point designated by City where the service extension is to be connected to City's distribution system, the extension of distribution line facilities will be installed in accordance with Rule 15-distribution line extensions.

10. RIGHTS-OF-WAY

Rights-of-way or easements may be required by City to install service facilities on Applicant's property to serve only Applicant.

- a. Service Facilities: If the service facilities must cross property owned by a third party to serve Applicant, City may, at its option, install such service facilities after appropriate rights-of-way or easements, satisfactory to City, are obtained without cost to City; or
- b. Distribution Line Extensions: If City's facilities installed on Applicants property or third-party property, will be or are designed to serve adjacent property, then City may, at its option, install its facilities under Rule 15, after appropriate rights-of-way or easements, satisfactory to City, are obtained without cost to City.
- c. Clearances: Any necessary rights-of-way or easements for City's facilities shall have provisions to maintain legal and operational clearances from adjacent structures.

B. METERING FACILITIES

For revenue billing, electric service shall be individually metered to each tenant in a building or group of buildings or other development on a single Premises with multiple tenants or enterprises (such as, but not limited to a commercial business, a school campus, or shopping center complex). Alternative metering arrangements as determined by City may be allowed only as specified in these rules and applicable rate schedules.

C. SERVICE EXTENSIONS

1. GENERAL LOCATION

The location of the service extension facilities shall be approved by the City as follows:

- a. Franchise Area: From the point of connection at the distribution line to Applicant's nearest property line abutting upon any street, highway, road, or right-of-way, along which it already has, or will install distribution facilities; and,
- b. Private Property: On private property, along the shortest, most practical and available route (clear of obstructions) as necessary to reach a service delivery point designated by City.

2. NUMBER OF SERVICE EXTENSIONS

City will not normally provide more than one service extension, including associated facilities, either overhead or underground, for any one building or group of buildings, for a single enterprise on a single Premises, except;

- a. Tariff Schedules: Where otherwise allowed or required under City's tariff schedules; or,
- b. City Convenience: At the option of and as determined by City, for its operating convenience, consistent with engineering design for different voltage and phase classification, or when replacing an existing service; or,
- c. Ordinance: Where required by ordinance or other applicable law, for such things as fire pumps, fire alarm systems, etc; and,
- d. Other: City may charge for additional services provided under this paragraph, as special or added facilities.

3. UNDERGROUND INSTALLATIONS

Underground Service Extensions will be installed;

- a. Underground Required: Underground service extensions (1) shall be installed where required to comply with applicable tariff schedules, laws, ordinances, or similar requirements of governmental authorities having jurisdiction, and (2) may be necessary as determined by City where Applicant's load requires a separate transformer installation of 75 kVA or greater.

- b. Underground Optional: An underground service extension may be installed in an area where it is not otherwise required and when requested by Applicant and agreed upon by City.

4. UNUSUAL SITE CONDITIONS

In cases where Applicant's building is located a considerable distance from the available distribution line or where there is an obstruction or other deterrent obstacle or hazard such as plowed land, ditches, or inaccessible security areas between City's distribution line and Applicant's building or facility to be served that would prevent City from prudently installing, owning, and maintaining its service facilities, City may, at its discretion, waive the normal service delivery point location. In such cases, the service delivery point will be at such other location on Applicant's property as may be mutually agreed upon; or, alternatively, the service delivery point may be located at or near Applicant's property line as close as practical to the available distribution line.

D. RESPONSIBILITIES FOR NEW SERVICE EXTENSIONS

1. APPLICANT RESPONSIBILITY

In accordance with City's design, specifications, and requirements for the installation of service extensions, and subject to City's inspection and approval, Applicant is responsible for;

- a. Clear Route: Providing (or paying for) a route on any private property that is clear of obstructions which would inhibit the construction of either underground or overhead service extensions.
- b. Excavation: All necessary trenching, backfilling, and other digging as required including permit fees.
- c. Conduit And Substructures:
 - 1) Furnishing and installing all conduits (including pull wires) and substructures on Applicant's Premises.
 - 2) Installing (or paying for) any Conduits and Substructures in City's franchise area (or rights-of-way, if applicable) as necessary to install the service extension.
 - 3) Conveying ownership to City upon acceptance of those conduits and substructures not on Applicant's Premises.
- d. Protective Structures: Furnishing, installing, owning, and maintaining all necessary protective structures as specified by City for City's facilities on Applicant's Premises

- e. Applicant's Facility Design and Operation: Applicant shall be solely responsible to plan, design, install, own, maintain, and operate facilities and equipment beyond the service delivery point (except for City's metering facilities) in order to properly receive and utilize the type of electric service available from City. Refer to Rule 2 for a description, among other things, of;
- 1) Available service delivery voltages and the technical requirements and conditions to qualify for them,
 - 2) Customer utilization voltages,
 - 3) Load balancing requirements,
 - 4) Requirements for installing electrical protective devices,
 - 5) Loads that may cause service interference to others, and
 - 6) Motor starting limitations.
- f. Required Service Equipment: Applicant shall, at its sole liability, risk, and expense, be responsible to furnish, install, own, maintain, inspect, and keep in good and safe condition, all facilities of any kind or character on Applicant's Premises that are not the responsibility of City but are required by City for Applicant to receive service. Such facilities shall include but are not limited to the overhead or underground termination equipment, conduits, service entrance conductors from the service delivery point to the location of City's metering facilities, connectors, meter sockets, meter and instrument transformer housing, service switches, circuit breakers, fuses, relays, wireways, metered conductors, machinery and apparatus of any kind or character. Detailed information on City's service equipment requirements will be furnished by City. The Applicant shall provide all service conduit (s) from City's franchise area to City's metering facilities.
- g. Coordination Of Electrical Protective Devices: When, as determined by City, Applicant's load is of sufficient size as to require coordination of response time characteristics between Applicant's electrical protective devices (circuit breakers, fuses, relays, etc.) and those of City's, it shall be Applicants responsibility to provide such coordination in accordance with Rule 2.
- h. Liability: City shall incur no liability whatsoever, for any damage, loss or injury occasioned by;
- 1) Applicant-owned equipment or Applicant's transmission and delivery of energy; or,
 - 2) The negligence, omission of proper protective devices, want of proper care, or wrongful act of Applicant, or any agents, employees, or licensees of

Applicant, on the part of Applicant in installing, maintaining, using, operating, or interfering with any such conductors, lines, machinery, or apparatus.

- i. Facility Tampering: Applicant shall provide a suitable means acceptable to City for placing its seals on meter rings and covers of service enclosures and instrument transformer enclosures which protect unmetered energized conductors installed by Applicant. All City-owned meters and enclosure covers will be sealed only by City's authorized employees and such seals shall be broken only by City's authorized employees. However, in an emergency, City may allow a public authority or other appropriate party to break the seal. Any unauthorized tampering with City-owned seals or connection of Applicant-owned facilities to unmetered conductors at any time is prohibited and is subject to the provisions of Rule 11 - Discontinuance and Restoration of Service for unauthorized use.
- j. Transformer Installations On Applicant's Premises: Transformer installations on Applicant's Premises shall be as specified by City and in accordance with the following applicable provisions;
 - 1) Space For Transformers: Applicant shall provide space on Applicant's Premises at a location approved by City for a standard transformer installation (including any necessary equipment access for operation, and ancillary equipment such as switches, capacitors, and electric protective equipment, where required) if (a) in an overhead area, City determines that the load to be served is such that a separate transformer installation is required, or (b) if City determines that the installation of a padmounted or subsurface transformer of any size is required on Applicant's Premises to serve only Applicant.
 - 2) Padmounted Equipment: In City's standard installation, Applicant shall furnish, install and convey ownership to City for substructures and any required protective structures specified by City for the proper installation of the transformer, switches, capacitors, and other equipment as determined by City.
 - 3) Single Utility-Owned Customer Substation: When City elects, for its operating convenience, to supply Applicant from a transmission line and install a City-owned substation on Applicant's Premises, Applicant shall furnish, install and convey ownership to City the necessary site improvements as specified by City for the proper installation of the transformer. Such improvements shall include but are not limited to a concrete pad or foundation and grounding system. Applicant shall own and maintain all facilities not specifically conveyed to City yet associated with the service, such as fences and gates, access road, grading, and paving as

required. Detailed information on City's requirements for a single Customer substation will be furnished by City.

- k. Transformer Room Or Vault: Where Applicant requests and City approves the installation of the transformer(s) in a vault or room on Applicant's Premises, rather than City's standard padmounted installation;
 - 1) The room or vault on Applicant's Premises shall be furnished, installed, owned, and maintained by Applicant and shall meet City's specifications for such things as access, operational and safety clearances ventilation, drainage, grounding system, etc.
 - 2) If space cannot be provided on Applicant's Premises for the installation of a transformer on either a pad or in a room or vault, a vault will be installed at Applicant's expense in the street near the property line. It shall be Applicant's responsibility to install (or pay for) such vault if not restricted by governmental authority having jurisdiction and Applicant shall convey ownership of the vault to City upon its acceptance. The additional facilities shall be treated as special or added facilities under the provisions of Rule 2.
 - 3) All the additional costs as well as ongoing maintenance shall be paid by Applicant for special or added facilities.
- l. Transformer Lifting Requirements: Where City has installed or agrees to install, transformers at locations where City cannot use its standard transformer lifting equipment and special lifting facilities are required to install or remove the transformers on Applicant's Premises, Applicant shall, at its expense, (a) furnish, install, own, and maintain permanent lifting facilities and be responsible for lifting the transformer to and from its permanent position, or (b) provide (or pay for) portable lifting facilities acceptable to City for installing or removing the transformers. Rights-of-way and space provisions shall be provided by Applicant such that access and required clearances from adjacent structures can be maintained. City may require a separate contract for transformer lifting requirements.
- m. Overhead Transformers: In remote areas or in areas not zoned for residential or commercial use or for underground services, pad-mounted transformers are preferred for installation on Applicant's Premises. However, where City determines that it is not practical to install a transformer on a pad, in a room or vault, City may furnish a pole-type structure for an installation not exceeding 500 kVA.

2. BUILDING CODE REQUIREMENTS

Any service equipment and other related equipment owned by Applicant, as well as any vault, room, enclosure, or lifting facilities for the installation of transformers

shall conform with applicable laws, codes, and ordinances of all governmental authorities having jurisdiction.

3. REASONABLE CARE

Applicant shall exercise reasonable care to prevent City's Service Extensions, other City facilities, and meters owned by City or others, on the Applicant's Premises from being damaged or destroyed, and shall refrain from interfering with City's operation of the facilities and shall notify City of any obvious defect. Applicant may be required to provide and install suitable mechanical protection (barrier posts, etc.) as required by City.

4. CITY RESPONSIBILITY

- a. Meter And Service: City will install, own, and maintain the following service facilities as applicable after Applicant meets all requirements to receive service:
 - 1) Underground Service: A set of service conductors to supply permanent service from the distribution line source to the service delivery point approved by City.
 - 2) Riser Material: Any necessary pole riser material for connecting underground services to an overhead distribution line.
 - 3) Overhead Service: A set of overhead service conductors to supply permanent service from a distribution line source to a suitable support at the service delivery point approved by City. Support shall be of a type and located such that service wires may be installed in accordance with good engineering practice and in compliance with all applicable laws, ordinances, rules, and regulations including those governing clearances and points of attachment.
 - 4) Metering: When the meter is owned by City, City will be responsible for the necessary instrument transformers where required, test facilities, meters, associated metering equipment, and the metering enclosures when City elects to locate metering equipment at a point that is not accessible to Applicant.
- b. Special Conduit Installations: City shall own and maintain service conduits only if: (1) they are located in the same trench with distribution facilities, and (2) when it is necessary to locate Conduits on property other than that owned by Applicant, as determined by City, or as may be required by local authorities.
- c. Cable-In-Conduit: In those cases where City elects to install its service conductors using pre-assembled cable-in-conduit (CIC), the conduit portion will be considered a part of the conductor installation provided by City.

- d. Government Inspection: City will establish electric service to Applicant following notice from the governmental authority having jurisdiction that the Applicant-owned facilities have been installed and inspected in accordance with any applicable laws, codes, ordinances, rules, or regulations, and are safe to energize.

5. CITY-PERFORMED WORK

- a. Where requested by Applicant and mutually agreed upon, City may perform that portion of the new service extension work normally the responsibility of Applicant provided Applicant pays City its estimated installed cost.

E. PAYMENTS BY APPLICANT

1. PAYMENTS

Applicant is responsible to pay City the following non-refundable costs as applicable under this rule and in advance of City commencing its work:

- a. Pole Riser: City's estimated installed costs of any riser materials on its poles.
- b. City's total estimated installation cost (including appurtenant facilities, such as connectors, service conductors, service transformers, metering equipment, and the conduit portion of CIC cable).
- c. Other: City's total estimated cost of any work it performs that is Applicant's responsibility or performs for the convenience of the Applicant.

F. EXISTING SERVICE FACILITIES

1. SERVICE REINFORCEMENT

- a. City-Owned: When City determines that its existing service facilities require replacement, the existing service facilities shall be replaced as new service facilities under the provisions of this rule.
- b. Applicant-Owned: When City determines that existing Applicant-owned service facilities require replacement; such replacement or reinforcement shall be accomplished under the provisions for a new service installation.

2. SERVICE RELOCATION OR REARRANGEMENT

- a. City Convenience: When, in the judgment of City, the relocation or rearrangement of a service, including City-owned transformers, is necessary for the maintenance of adequate service or for the operating convenience of City,

City normally will perform such work at its own expense, except for Applicant convenience or damage.

- b. Applicant Convenience: Any relocation or rearrangement of City's existing service facilities at the request of Applicant (aesthetics, building additions, remodeling, etc.) and agreed upon by City shall be performed in accordance with this rule except that Applicant shall pay City its total estimated costs. In all instances, City shall abandon or remove its existing facilities at the option of City rendered idle by the relocation or rearrangement.

3. IMPAIRED ACCESS AND CLEARANCES

Whenever City determines that access or clearance to service facilities is impaired, correction action consistent with this section shall be enforced.

- a. Access: Its existing service facilities have become inaccessible for inspecting, operating, maintenance, meter reading, or testing.
- b. Clearances: A hazardous condition exists or any of the required clearances between the existing service facilities and any object becomes impaired under any applicable laws, ordinances, rules, or regulations of City or public authorities, then the following applies;

Corrective Action: Applicant or owner shall, at Applicant's or owner's expense, either correct the access or clearance infractions or pay the total estimated cost to relocate its facilities to a new location which is acceptable to City. Applicant or owner shall also be responsible for the expense to relocate any equipment, which Applicant owns and maintains. Failure to comply with corrective measures within a reasonable time may result in discontinuance of service.

4. OVERHEAD TO UNDERGROUND SERVICE CONVERSIONS

Applicant's Convenience: Where overhead services are replaced by underground services for Applicant's convenience, Applicant shall perform all excavation, furnish and install all substructures, and pay City its total estimated installed cost to complete the new service and remove the overhead facilities.

5. DAMAGED FACILITIES

When City's facilities are damaged by others, the repair will be made by City at the expense of the party responsible for the damage. Applicants are responsible for repairing their own facilities.

6. SUBDIVISION OF PREMISES

When City's service facilities are located on private property and such private property is subsequently subdivided into separate Premises with ownership divested to other than Applicant or Customer, the subdivider is required to provide City with adequate rights-of-way satisfactory to City for its existing facilities and to notify property owners of the subdivided Premises of the existence of the rights-of-way. When adequate rights-of-way are not granted as a result of the property subdivision, City shall have the right, upon written notice to Applicant, to discontinue service without obligation or liability. The existing owner, Applicant, or Customer shall pay to City the total estimated cost of any required relocation or removal of City's facilities. A new electric service will be re-established in accordance with the provisions of this Rule for new service and the provisions of any other applicable City rules.

7. EXCEPTIONAL CASES

When the application of this rule appears impractical or unjust to either party, or ratepayers, City or Applicant may refer the matter to the City for a special ruling or for approval of special conditions, which may be mutually agreed upon.

ELECTRIC RULE 17—METER TESTS AND ADJUSTMENT OF BILLS FOR METER ERROR

A. METER TESTS

Any Customer may, upon not less than five (5) working days notice, request that the City to test the Customer's electric meter. No payment or deposit will be required from the Customer for such tests except when a Customer requests a meter test within six months after the date of installation of the meter, or more often than once each six months thereafter. A deposit to cover the reasonable cost of the test will be required of the Customer, in accordance with the following:

1. Meter installed without current or potential transformer(s)
2. Meter installed with current transformer(s) or with current and potential transformer(s)

The deposit will be returned to the Customer if the meter is found to register more than two percent fast or slow under conditions of normal operation as a result of the test. A Customer shall have the right to request the City conduct the test in the Customer's presence or in the presence of an expert or other representative appointed by the Customer. A report giving the result of the test will be supplied to the Customer within a reasonable time after completion of the test. All electric meters will be tested at the time of their installation. No meter will be placed in service or allowed to remain in service which has an error in registration in excess of two percent under conditions of normal operation. On newly purchased single-phase meters, the manufacturer's test may be used as the installation test when City's random tests indicate satisfactory test results for a particular manufacturer and for a particular shipment.

B. ADJUSTMENT OF BILLS FOR METER ERROR

Meter error is the incorrect registration of energy usage resulting from a malfunctioning or defective meter. It does not include incorrect registration attributable to billing error or unauthorized use. Where, as the result of a meter test, a meter is found to be non-registering or incorrectly registering, City may render an adjusted bill to the Customer for the amount of any undercharge without interest. City shall issue a refund or credit to the Customer for the amount of any overcharge, without interest, computed back to the date that is determined to be when the meter error commenced, except that the period of adjustment shall not exceed the limits set forth in this Rule. Such adjusted bill shall be computed as follows:

1. FAST METER

If a meter, for either residential or nonresidential service, is found to be registering more than two percent fast, City will calculate the amount of the overcharge for refund to the Customer based on the corrected meter. When it is known that the

period of meter error was less than six months, the overcharge will be calculated for only those months during which the meter error occurred.

2. SLOW METER

If a meter, for either residential or nonresidential service is found to be registering more than two percent slow, City may bill the Customer for the amount of the undercharge based on the corrected usage or based upon the City's estimate of the energy usage for a period of up to three years. However, if it is known that the period of meter error was less than three years, the undercharge will be calculated for only those months during which the meter error occurred.

3. NONREGISTERING METER

If a meter, for either residential or nonresidential service is found to be non-registering, City may bill the Customer for the amount of the undercharge based on City's estimate of the electricity used, but not registered, for a period of up to three years. However, if it is known that the period the meter was non-registering was less than three years, the undercharge will be calculated for only those months the meter was non-registering. Where the condition of the meter renders it un-testable (no-test), City may bill the Customer based upon the City's estimate of the unmetered energy. Nothing herein is intended to limit City's authority to bill the Customer for unauthorized use.

4. NO-TEST METERS

Where the condition of the meter renders it untestable (no-test), City may bill the Customer based upon the City's estimate of the unmetered energy. Nothing herein is intended to limit City's authority to bill the Customer for unauthorized use.

5. ESTIMATED USAGE

When regular, accurate meter readings are not available or when the electric usage has not been accurately measured, City may estimate the Customer's energy usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use, and the general characteristics of the Customer's load and operation.

ELECTRIC RULE 17.1– ADJUSTMENTS OF BILLING ERROR

A. BILLING ERROR DEFINED

Billing error is the incorrect billing of an account due to an error by City or the Customer, which results in incorrect charges to the Customer. Billing error includes, but is not limited to, incorrect meter reads or clerical errors, wrong daily billing factor, incorrect voltage discount, wrong connected load information, crossed meters, incorrect billing calculation, incorrect meter multiplier, incorrect rate, or City’s failure to provide the Customer with notice of rate options. Field error, including, but not limited to, installing the meter incorrectly and failure to close the meter potential or test switches, is also considered billing error. Billing error which does not entitle the Customer to a credit adjustment includes failure of the Customer to notify City of changes in the Customer’s connected load, equipment or operation or failure of the Customer to take advantage of any noticed rate option or condition of service for which the Customer becomes eligible subsequent to the date of application for service.

B. ADJUSTMENT OF BILLS FOR BILLING ERROR

Where City overcharges or undercharges a Customer as the result of a billing error, City may render an adjusted bill to the Customer for the amount of any undercharge, without interest, and shall issue a refund or credit to the Customer for the amount of any overcharge, without interest, in accordance with the procedures and limitations set forth below.

1. BILLING ERROR RESULTING IN OVERCHARGES TO THE CUSTOMER

If either a residential or nonresidential service is found to have been overcharged due to billing error, City will calculate the amount of the overcharge, for refund to the Customer, for a period of up to three years. However, if it is known that the period of billing error was less than three years, the overcharge will be calculated for only those months during which the billing error occurred.

2. BILLING ERRORS RESULTING IN UNDERCHARGES TO THE CUSTOMER

If either residential or nonresidential service is found to have been undercharged due to a billing error, City may bill the Customer for the amount of the undercharge for a period of up to three years. However, if it is known that the period of billing error was less than three years, the undercharge will be calculated for only those months during which the billing error occurred.

ELECTRIC RULE 17.2—ADJUSTMENT OF BILLS FOR UNAUTHORIZED USE

A. UNAUTHORIZED USE DEFINED

Unauthorized use includes, but is not limited to:

1. Unmetered use of electricity resulting from unauthorized connections, alterations or modifications to electric supply lines and/or electric meters;
2. Placing conductive material in the meter socket to allow energy to flow from the line side of the service to the load side of the service without a meter (cut in flat);
3. Installing an unauthorized electric meter in place of the meter assigned to the account;
4. Inverting or otherwise repositioning the meter, thereby altering registration;
5. Damaging the meter to stop registration, thereby rendering it untestable;
6. Using City service without compensation to City in violation of applicable rules and/or statutes.

Where City determines there has been unauthorized use, City shall have the legal right to recover, from any Customer or other person who caused or benefited from such unauthorized use, the estimated undercharges for the full period of such unauthorized use. The estimated bill shall indicate unauthorized use for the most recent three years and, separately, unauthorized use beyond the three-year period for collection as provided by law. Nothing in this rule shall be interpreted as limiting City's rights under any provisions of any applicable civil or criminal law.

B. INVESTIGATION OF UNAUTHORIZED USE

Where unauthorized use is suspected by City, City shall promptly conduct an investigation.

Whenever possible, City shall collect and preserve evidence in the matter, test the meter, and obtain connected load information from the Customer or other person to be charged for the unauthorized energy use. If the meter cannot be tested or connected load data cannot be obtained, City will document the reasons why such information could not be obtained. Whenever possible, upon completion of City's investigation, the Customer or other person being billed will be advised of City's claim and shall be given an opportunity to respond to the claim. Notwithstanding any provisions herein, City reserves all evidentiary privileges and rights.

C. ADJUSTMENT OF BILLS FOR UNAUTHORIZED USE**1. ACTUAL USAGE**

If accurate meter readings are available for the unauthorized use period, they will be used for billing purposes.

2. ESTIMATED USAGE

If accurate meter readings are not available or the electric usage has not been accurately measured, City may estimate the energy usage for billing purposes. The basis for the estimate may include, without limitation and for illustrative purposes only, the physical condition of the metering equipment, available meter readings, records of historical use, or the general characteristics of the load and operation of the service being billed, with consideration of any appropriate seasonal adjustment. Estimated bills for the unauthorized use period may be determined by City based on one or more of the following, without limitation and for illustrative purposes only:

- a. Accurately metered use from a remote check meter;
- b. The known percent error in metering attributable to the unauthorized use condition as determined by City;
- c. Accurately metered use prior to the onset of the unauthorized use;
- d. The equipment and hours of operation of the service being billed;
- e. Accurately metered subsequent use of 30 days or more (if available);
- f. Annual use profile of at least five Customers with similar connected load, Premises load profiles, hours of energy use, etc. (percent of annual use); or
- g. Other reasonable and supportable billing methodology when none of the aforementioned billing techniques is appropriate under the circumstances.

D. INTEREST ON BILLS FOR UNAUTHORIZED USE

1. City may bill and collect interest at a rate of 10 percent per annum on unauthorized use billings from the date the unauthorized use commenced, and/or
2. City may bill and collect interest at a rate of 10 percent per annum on amortized repayment agreements.

E. RECOVERY OF ASSOCIATED COSTS

City may recover the associated costs resulting from the unauthorized use including, but not limited to, investigative and equipment damage costs.

F. DISCONTINUANCE OF SERVICE

In accordance with the provisions of Rule 11, where City determines unauthorized use is occurring, City may refuse service or discontinue service. If any part of the Customer's wiring or any other equipment, or the use thereof, is determined by City or any other authorized public agency to be unsafe or in violation of applicable laws, ordinances, rules or regulations of public authorities, or is in such condition as to endanger City's service facilities, City may discontinue service. City may also discontinue service in accordance with the provisions of its rules, for nonpayment of a delinquent billing for unauthorized use, and for associated costs, including nonpayment under an amortization agreement.

ELECTRIC RULE 21— GENERATING FACILITY INTERCONNECTIONS

A. APPLICABILITY

Applicability: This Rule describes the Interconnection, operating and Metering requirements for Generating Facilities to be connected to Moreno Valley Utility's (MVU) Distribution System. Subject to the requirements of this Rule, MVU will allow the Interconnection of Generating Facilities with its Distribution System.

Definitions: Capitalized terms used in this Rule, and not defined in MVU's other rules, shall have the meaning ascribed to such terms in Section H of this Rule. The definitions set forth in Section H of this Rule shall only apply to this Rule and may not apply to MVU's other rules.

Consistent with IEEE 1547: This rule has been revised to be consistent with the requirements of ANSI/IEEE1 1547-2003 *Standard for Interconnecting Distributed Resources with Electric Power Systems* (IEEE 1547). In some cases, IEEE 1547 language has been adopted directly, in others, IEEE 1547 requirements were interpreted and this rule's language was changed to maintain the spirit of both documents.

Language from IEEE 1547 that has been adopted directly (as opposed to paraphrased language or previous language that was determined to be consistent with IEEE 1547) is followed by a citation that lists the Clause from which the language derived. For example, IEEE 1547-4.1.1 is a reference to Clause 4.1.1.

In the event of any conflict between this rule and any of the standards listed herein, the requirements of this rule shall take precedence.

B. GENERAL RULES, RIGHTS AND OBLIGATIONS

1. **AUTHORIZATION REQUIRED TO OPERATE:** A Producer must comply with this Rule, execute an Interconnection Agreement with MVU, and receive MVU's express written permission before Parallel Operation of its Generating Facility with MVU's Distribution System. MVU shall apply this Rule in a non-discriminatory manner and shall not unreasonably withhold its permission for Parallel Operation of Producer's Generating Facility with MVU's Distribution System.
2. **SEPARATE AGREEMENTS REQUIRED FOR OTHER SERVICES:** A Producer requiring other electric services from MVU including, but not limited to, Distribution Service during periods of curtailment or interruption of the Producer's Generating Facility, enter into agreements with MVU for such services in accordance with MVU's City Council-approved rules.
3. **SERVICE NOT PROVIDED WITH INTERCONNECTION:** Interconnection with MVU's Distribution System under this Rule does not provide a Producer any

rights to utilize MVU's System for the transmission, distribution, or wheeling of electric power, nor does it limit those rights.

4. **COMPLIANCE WITH LAWS, RULES AND TARIFF SCHEDULES:** A Producer shall ascertain and comply with applicable City Council-approved rules of MVU; applicable Federal Energy Regulatory Commission (FERC) approved rules, rules and regulations; and any local, state or federal law, statute or regulation which applies to the design, siting, construction, installation, operation, or any other aspect of the Producer's Generating Facility and Interconnection Facilities.
5. **DESIGN REVIEWS AND INSPECTIONS:** MVU shall have the right to review the design of a Producer's Generating and/or Interconnection Facilities and to inspect a Producer's Generating and/or Interconnection Facilities prior to the commencement of Parallel Operation with MVU's Distribution System. MVU may require a Producer to make modifications as necessary to comply with the requirements of this Rule. MVU's review and authorization for Parallel Operation shall not be construed as confirming or endorsing the Producer's design or as warranting the Generating and/or Interconnection Facilities' safety, durability or reliability. MVU shall not, by reason of such review or lack of review, be responsible for the strength, adequacy or capacity of such equipment.
6. **RIGHT TO ACCESS:** A Producer's Generating Facility and/or Interconnection Facilities shall be reasonably accessible to MVU personnel as necessary for MVU to perform its duties and exercise its rights under its rules approved by the City Council, and any Interconnection Agreement between MVU and the Producer.
7. **CONFIDENTIALITY OF INFORMATION:** Any information pertaining to Generating and/or Interconnection Facilities provided to MVU by a Producer shall be treated by MVU in a confidential manner. MVU shall not use information contained in the Application to propose discounted rates to the customer unless authorized to do so by the Customer or the information is provided to MVU by the Customer through other means.
8. **PRUDENT OPERATION AND MAINTENANCE REQUIRED:** A Producer shall operate and maintain its Generating Facility and Interconnection Facilities in accordance with Prudent Electrical Practices and shall maintain compliance with this Rule.
9. **CURTAILMENT AND DISCONNECTION:** MVU may limit the operation or disconnect or require the disconnection of a Producer's Generating Facility from MVU's Distribution System at any time, with or without notice, in the event of an Emergency, or to correct Unsafe Operating Conditions. MVU may also limit the operation or disconnect or require the disconnection of a Producer's Generating Facility from MVU's Distribution System upon the provision of reasonable written notice: 1) to allow for routine maintenance, repairs or modifications to MVU's Distribution System; 2) upon MVU's determination that a Producer's

Generating Facility is not in compliance with this Rule; or 3) upon termination of the Interconnection Agreement. Upon the Producer's written request, MVU shall provide a written explanation of the reason for such curtailment or disconnection.

C. APPLICATION AND INTERCONNECTION PROCESS

1. APPLICATION PROCESS

- a. Applicant Initiates Contact with MVU: Upon request, MVU will provide information and documents (such as sample agreements, Application, technical information, listing of Certified Equipment, Initial and Supplemental Review deposit information, applicable tariff schedules and Metering requirements) to a potential Applicant. Unless otherwise agreed upon, all such information shall normally be sent to an Applicant within three (3) business days following the initial request from the Applicant. MVU will establish an individual representative as the single point of contact for the Applicant, but may allocate responsibilities among its staff to best coordinate the Interconnection of an Applicant's Generating Facility.
- b. Applicant Completes an Application: All Applicants shall complete and file an Application and supply any relevant additional information requested by MVU. When applicable per Table C.1, an \$800 Initial Review deposit shall be included with the Application.
 - 1) Normally, within 10 business days of receiving the Application, MVU shall acknowledge its receipt and state whether the Application has been completed adequately. If defects are noted, MVU and Applicant shall cooperate in a timely manner to establish a satisfactory Application.
 - 2) The Initial Review deposit shall be waived for Net Energy Metering Applications requesting Interconnection.
 - 3) The deposit associated with the Initial Review will be returned to the Applicant if the Application is rejected by MVU or the Applicant retracts the Application.
 - 4) Applications that are over one year old (from the date of MVU's acknowledgement) without a signed Interconnection Agreement, or a Generating Facility that has not been approved for parallel operation within one year of completion of all applicable review and/or studies are subject to cancellation by MVU; however, MVU may not cancel an Application if the Producer provides reasonable evidence that the project is still active.

- 5) The applicant may propose, and MVU may agree to reduced costs for reviewing atypical Applications, such as Applications submitted for multiple Generators, multiple sites, or otherwise as conditions warrant.
- c. MVU Performs an Initial and Supplemental Review and Develops Preliminary Cost Estimates and Interconnection Requirements.
- 1) Upon receipt of a satisfactorily completed Application and any additional information necessary to evaluate the Interconnection of a Generating Facility, MVU shall perform an Initial Review using the process defined in Section I. The Initial Review determines if: (a) the Generating Facility qualifies for Simplified Interconnection; or (b) the Generating Facility requires a Supplemental Review.
 - 2) MVU shall complete its Initial Review, absent any extraordinary circumstances, within 10 business days after its determination that the Application is complete. If the Initial Review determines the proposed Generating Facility can be Interconnected by means of a Simplified Interconnection, MVU will provide the Applicant with an Interconnection Agreement for Applicant's signature. Upon completion of the Initial Review, the difference between the deposit and the actual cost of the Review will be refunded or billed to the Applicant as appropriate.
 - 3) If the Generating Facility does not pass the Initial Review for Simplified Interconnection as proposed, MVU will notify the applicant and perform a Supplemental Review as described in Section I. Applicant shall pay an additional \$600 deposit for the Supplemental Review, unless the Application is withdrawn. The Supplemental Review will result in MVU providing either: (a) Interconnection requirements beyond those for a Simplified Interconnection, and an Interconnection Agreement for Applicant's signature; or (b) a cost estimate and schedule for an Interconnection Study. The Supplemental Review shall be completed, absent any extraordinary circumstances, within 20 business days of receipt of a completed Application and fees. Upon completion of the Supplemental Review, the difference between the deposit and the actual cost of the Review will be refunded or billed to the Applicant as appropriate.

The Supplemental Review deposit shall be waived for Net Energy Metering Applications requesting Interconnection pursuant to Sections 2827, 2827.8, 2827.9, or 2827.10 of the Public Utilities Code.

- d. When Required, Applicant and MVU Commit to Additional Interconnection Study Steps. When a Supplemental Review reveals that the proposed Generating Facility cannot be Interconnected to MVU's Distribution System by means of a Simplified Interconnection, or that significant Interconnection Facilities installed on MVU's system or Distribution System modifications will be needed to accommodate an Applicant's Generating Facility, MVU and Applicant shall enter into an agreement that provides for MVU to perform additional studies, facility design, and engineering and to provide detailed cost estimates for fixed price or actual cost billing to the Applicant at the Applicant's expense. The Interconnection Study agreement shall set forth MVU's estimated schedule and charges for completing such work. Interconnection Study fees for solar generating facilities up to 1 megawatt (MW) that do not sell power to the grid will be waived up to the amount of \$5,000. Generating Facilities eligible for Net Energy Metering under Public Utilities Code Section 2827, 2827.8, 2827.9, or 2827.10 are exempt from any costs associated with Interconnection Studies.

Table C.1 Summary of Deposits and Exemptions

<u>Facility Type</u>	<u>Initial Review Deposit</u>	<u>Supplemental Review Deposit</u>	<u>Interconnection Study Deposit</u>	<u>Additional Commissioning Test Verification</u> <u>(illustrative range of 2012 Rates)**</u>
Non-Net Energy Metering	\$2,000*	As Specified by MVU	As Specified by MVU	Actual cost
Net Energy Metering (per Public Utilities Code Sections 2827, 2827.8, 2827.9, or 2827.10)	\$0	\$0	\$0	N/A

* Subject to refund pursuant to Section C.1.b.3

** A range of rates is provided here because the actual rate may vary by MVU and will adjust periodically.

Table C.2 Summary of Producer Cost Responsibility for Multiple Tariff Interconnections

Existing Generator	New Generator	Initial Review Deposit		Supplemental Review Deposit		Detailed Interconnection Study Cost		Interconnection Facilities Cost		Distribution System Modifications Cost	
		YES	NO	YES	NO	YES	NO	YES	NO	YES	NO
NEM	Non-NEM	X		X		X		X		Xa	
NEM	NEM		X		X		X	X			X
Non-NEM	NEM		Xb		Xb		Xb	X			Xa,b
Simultaneous NEM and Non-NEM		X		X		X		X		Xa	
a) Proration will be based upon the annual expected energy output (kWh) derived from the nameplate of the generator(s) modified by technology-specific capacity/availability factors of all NEM eligible versus non-NEM eligible generators for the costs that cannot be clearly assigned to either type of tariff.											
b) Change of operating of a non-NEM eligible generator at any time to export is treated as a simultaneous NEM and non-NEM application, resulting in associated costs being allocated to the producer.											

2. INTERCONNECTION PROCESS

- a. Applicant and MVU Enter Into an Interconnection Agreement. MVU shall provide the Applicant with an executable version of the Interconnection Agreement or Net Energy Metering agreement appropriate for the Applicant's Generating Facility and desired mode of operation. These agreements shall set forth MVU and the Applicant's responsibilities, completion schedules, and fixed price or estimated costs for the required work.
- b. Where Applicable, MVU or Producer Installs Required Interconnection Facilities or Modifies MVU's Distribution System. After executing the applicable agreements, MVU or Producer will commence construction/installation of MVU's Distribution System modifications or Interconnection Facilities which have been identified in the agreements. The parties will use good faith efforts to meet schedules and estimated costs as appropriate.
- c. Producer Arranges for and Completes Commissioning Testing of Generating Facility and Producer's Interconnection Facilities. The Producer is responsible for testing new Generating Facilities and associated Interconnection Facilities according to Section J.5 to ensure compliance with the safety and reliability provisions of this Rule prior to being operated in parallel with MVU's Distribution System. For non-Certified Equipment, the Producer shall develop a written testing plan to be submitted to MVU for its review and acceptance. Alternatively, the Producer and MVU may agree to have MVU conduct the required testing at the Producer's expense. Where applicable, the test plan shall include the installation test procedures published by the manufacturer of the generation or Interconnection equipment. Facility testing shall be conducted at a

mutually agreeable time, and depending on who conducts the test, MVU or Producer shall be given the opportunity to witness the tests.

- d. MVU Authorizes Parallel Operation or Momentary Parallel Operation. MVU shall authorize the Producer's Generating Facility for Parallel Operation or Momentary Parallel Operation with MVU's Distribution System, in writing, within 5 calendar days of satisfactory compliance with the terms of all applicable agreements. Compliance may include, but not be limited to, provision of any required documentation and satisfactorily completing any required inspections or tests as described herein or in the agreements formed between the Producer and MVU. A Producer shall not commence Parallel Operation of its Generating Facility with MVU's system unless it has received MVU's express written permission to do so.

For Net Energy Metering Generating facilities, MVU authorization for Parallel Operation shall normally be provided no later than 30 business days following MVU's receipt of 1) a completed Net Energy Metering Application including all supporting documents and required payments; 2) a completed signed Net Energy Metering Interconnection Agreement; and 3) evidence of the Producer's final inspection clearance from the governmental authority having jurisdiction over the Generating Facility. If the 30-day period cannot be met, the MVU shall notify the Applicant and the Commission.

D. GENERATING FACILITY DESIGN AND OPERATING REQUIREMENTS

This section has been revised to be consistent with the requirements of ANSI/IEEE 1547-2003 *Standard for Interconnecting Distributed Resources with Electric Power Systems* (IEEE 1547).

1. General Interconnection and Protective Function Requirements

The Protective Functions and requirements of this Rule are designed to protect MVU's Distribution System and not the Generating Facility. A Producer shall be solely responsible for providing adequate protection for its Generating Facility and Interconnection Facilities. The Producer's Protective Functions shall not impact the operation of other Protective Functions utilized on MVU's Distribution System in a manner that would affect MVU's capability of providing reliable service to its Customers.

- a. **Protective Functions Required:** Generating Facilities operating in parallel with MVU's Distribution System shall be equipped with the following Protective Functions to sense abnormal conditions on MVU's Distribution System and cause the Generating Facility to be automatically disconnected from MVU's Distribution System or to prevent the Generating Facility from being connected to MVU's Distribution System inappropriately:

- 1) Over and under voltage trip functions and over and under frequency trip functions;
- 2) A voltage and frequency sensing and time-delay function to prevent the Generating Facility from energizing a de-energized Distribution System circuit and to prevent the Generating Facility from reconnecting with MVU's Distribution System unless MVU's Distribution System service voltage and frequency is within the ANSI C84.1-1995 Table 1 Range B Voltage Range of 106V to 127V (on a 120V basis), inclusive, and a frequency range of 59.3 Hz to 60.5 Hz, inclusive, and are stable for at least 60 seconds; and
- 3) A function to prevent the Generating Facility from contributing to the formation of an Unintended Island, and cease to energize the MVU's Distribution System within two seconds of the formation of an Unintended Island.

The Generating Facility shall cease to energize MVU's Distribution System for faults on MVU's Distribution System circuit to which it is connected (IEEE1547-4.2.1). The Generating Facility shall cease to energize MVU's Distribution circuit prior to re-closure by MVU' Distribution System equipment (IEEE1547-4.2.2).

- b. Momentary Paralleling Generating Facilities. With MVU's approval, the transfer switch or scheme used to transfer the Producer's loads from MVU's Distribution System to Producer's Generating Facility may be used in lieu of the Protective Functions required for Parallel Operation.
- c. Suitable Equipment Required. Circuit breakers or other interrupting equipment located at the Point of Common Coupling must be Certified or "Listed" (as defined in Article 100, the Definitions Section of the National Electrical Code) as suitable for their intended application. This includes being capable of interrupting the maximum available fault current expected at their location. Producer's Generating Facility and Interconnection Facilities shall be designed so that the failure of any single device or component shall not potentially compromise the safety and reliability of MVU's Distribution System. The Generating Facility paralleling-device shall be capable of withstanding 220% of the Interconnection Facility rated voltage (IEEE1547-4.1.8.3). The Interconnection Facility shall have the capability to withstand voltage and current surges in accordance with the environments defined in IEEE Std C62.41.2-2002 or IEEE Std C37.90.1-2002 as applicable and as described in J.3.e (IEEE1547-4.1.8.2).
- d. Visible Disconnect Required. When required by MVU's operating practices, the Producer shall furnish and install a ganged, manually-operated isolating switch (or a comparable device mutually agreed upon by

MVU and the Producer) near the Point of Interconnection to isolate the Generating Facility from MVU's Distribution System. The device does not have to be rated for load break nor provide over-current protection.

The device must:

- 1) allow visible verification that separation has been accomplished. (This requirement may be met by opening the enclosure to observe contact separation.)
- 2) include markings or signage that clearly indicate open and closed positions.
- 3) be capable of being reached quickly and conveniently 24 hours a day by MVU personnel for construction, operation, maintenance, inspection, testing or reading, without obstacles or requiring those seeking access to obtain keys, special permission, or security clearances.
- 4) be capable of being locked in the open position.
- 5) be clearly marked on the submitted single line diagram and its type and location approved by the MVU prior to installation. If the device is not adjacent to the Point of Common Coupling, permanent signage must be installed at an MVU-approved location providing a clear description of the location of the device.

Generating Facilities with Non-Islanding inverters totaling one (1) kilovolt-ampere (kVA) or less are exempt from this requirement.

- e. Drawings Required. Prior to Parallel Operation or Momentary Parallel Operation of the Generating Facility, MVU shall approve the Producer's Protective Function and control diagrams. Generating Facilities equipped with Protective Functions and a control scheme previously approved by MVU for system-wide application or only Certified Equipment may satisfy this requirement by reference to previously approved drawings and diagrams.
 - f. Generating Facility Conditions Not Identified. In the event this Rule does not address the Interconnection conditions for a particular Generating Facility, MVU and Producer may agree upon other arrangements.
2. PREVENTION OF INTERFERENCE: The Producer shall not operate Generating or Interconnection Facilities that superimpose a voltage or current upon MVU's Distribution System that interferes with MVU operations, service to MVU customers, or communication facilities. If such interference occurs, the Producer must diligently pursue and take corrective action at its own expense after being

given notice and reasonable time to do so by MVU. If the Producer does not take corrective action in a timely manner, or continues to operate the facilities causing interference without restriction or limit, MVU may, without liability, disconnect the Producer's facilities from MVU's Distribution System, in accordance with Section B.9 of this Rule. To eliminate undesirable interference caused by its operation, each Generating Facility shall meet the following criteria:

- a. **Voltage Regulation:** The Generating Facility shall not actively regulate the voltage at the Point of Common Coupling while in parallel with MVU's Distribution System. The Generating Facility shall not cause the service voltage at other customers to go outside the requirements of ANSI C84.1-1995, Range A (IEEE1547-4.1.1).
- b. **Operating Voltage Range:** The voltage ranges in Table D.1 define protective trip limits for the Protective Function and are not intended to define or imply a voltage regulation Function. Generating Facilities shall cease to energize MVU's Distribution System within the prescribed trip time whenever the voltage at the Point of Common Coupling deviates from the allowable voltage operating range. The Protective Function shall detect and respond to voltage on all phases to which the Generating Facility is connected.
 - 1) **Generating Facilities (30 kVA or less).** Generating Facilities with a Gross Nameplate Rating of 30 kVA or less shall be capable of operating within the voltage range normally experienced on MVU's Distribution System. The operating range shall be selected in a manner that minimizes nuisance tripping between 106 volts and 132 volts on a 120-volt base (88%-110% of nominal voltage). Voltage shall be detected at either the Point of Common Coupling or the Point of Interconnection.
 - 2) **Generating Facilities (greater than 30 kVA).** MVU may have specific operating voltage ranges for Generating Facilities with Gross Nameplate Ratings greater than 30 kVA, and may require adjustable operating voltage settings. In the absence of such requirements, the Generating Facility shall operate at a range between 88% and 110% of the applicable interconnection voltage. Voltage shall be detected at either the Point of Common Coupling or the Point of Interconnection, with settings compensated to account for the voltage at the Point of Common Coupling, Generating Facilities that are Certified Non-Islanding or that meet one of the options of the Export Screen (Section I.3.b) may detect voltage at the Point of Interconnection without compensation.
 - 3) **Voltage Disturbances.** Whenever MVU's Distribution System voltage at the Point of Common Coupling varies from and remains

outside normal (nominally 120 volts) for the predetermined parameters set forth in Table D-1, the Generating Facility’s Protective Functions shall cause the Generator(s) to become isolated from MVU’s Distribution System:

Table D.1 Voltage Trip Settings

<u>Voltage at Point of Common Coupling</u>		<u>Maximum Trip Time* # of Cycles</u>	
(Assuming 120 V Base)	% of Nominal Voltage	(Assuming 60Hz Nominal)	Seconds
Less than 60 Volts	Less than 50%	10 Cycles	0.16 Seconds
Greater than or equal to 60 volts but less than 106 volts	Greater than of equal to 50% but less than 88%	120 Cycles	2 Seconds
Greater than or equal to 106 volts but less than 132 volts	Greater than of equal to 88% but less than 110%	Normal Operation	
Greater than or equal to 132 volts but less than 144 volts	Greater than of equal to 110% but less than 120%	60 Cycles	1 Second
Greater than 144Volts	Greater than 120%	10 Cycles	0.16 Seconds

* "Maximum Trip time" refers to the time between the onset of the abnormal condition and the Generating Facility ceasing to energize MVU’s Distribution System. Protective Function sensing equipment and circuits may remain connected to MVU’s Distribution System to allow sensing of electrical conditions for use by the "reconnect" feature. The purpose of the allowed time delay is to allow a Generating Facility to “ride through” short-term disturbances to avoid nuisance tripping. Set points shall not be user adjustable (though they may be field adjustable by qualified personnel). For Generating Facilities with a Gross Nameplate Rating greater than 30 kVA, set points shall be field adjustable and different voltage set points and trip times from those in Table D.1 may be negotiated with MVU.

- c. Paralleling. The Generating Facility shall parallel with MVU’s Distribution System without causing a voltage fluctuation at the Point of Common Coupling greater than ±5% of the prevailing voltage level of MVU’s Distribution System at the Point of Common Coupling, and meet the flicker requirements of Section D.2.d. Section J provides technology-specific tests for evaluating the paralleling Function. (IEEE1547-4.1.3)
- d. Flicker. The Generating Facility shall not create objectionable flicker for other customers on MVU’s Distribution System. To minimize the adverse voltage effects experienced by other customers (IEEE1547-4.3.2), flicker

at the Point of Common Coupling caused by the Generating Facility should not exceed the limits defined by the "Maximum Borderline of Irritation Curve" identified in IEEE 519-1992 (IEEE Recommended Practices and Requirements for Harmonic Control in Electric Power Systems, IEEE STD 519-1992). This requirement is necessary to minimize the adverse voltage affects experienced by other customers on MVU's Distribution System. Generators may be connected and brought up to synchronous speed (as an induction motor) provided these flicker limits are not exceeded.

- e. Integration with MVU's Distribution System Grounding. The grounding scheme of the Generating Facility interconnection shall not cause over-voltages that exceed the rating of the equipment connected to the MVU's Distribution System and shall not disrupt the coordination of the ground fault protection on the MVU's Distribution System (IEEE1547-4.1.2) (See Section I.3.h).
- f. Frequency: MVU controls system frequency, and the Generating Facility shall operate in synchronism with the MVU's Distribution System. Whenever MVU's Distribution System frequency at the Point of Common Coupling varies from and remains outside normal (nominally 60 Hz) by the predetermined amounts set forth in Table D.2, the Generating Facility's Protective Functions shall cease to energize MVU's Distribution System within the stated maximum trip time.

Table D.2 Frequency Trip Settings

	Frequency Range	Maximum Trip Time [1]
<u>Generating Facility Rating</u>	<u>(Assuming 60Hz Nominal)</u>	<u>(Assuming 60 Cycles per Second)</u>
Less or equal to 30kW	Less than 59.3 Hz Greater than 60.5 Hz	10 Cycles
Greater than 30kW	Less than 57 Hz	10 Cycles
	Less than an adjustable value between 59.8Hz and 57 Hz but greater than 57 Hz. [2]	Adjustable between 10 and 18,000 Cycles. [2, 3]
	Greater than 60.5 Hz	10 Cycles

[1] -"Maximum Trip time" refers to the time between the onset of the abnormal condition and the Generating Facility ceasing to energize MVU's Distribution System. Protective Function sensing equipment and circuits may remain connected to MVU's Distribution System to allow sensing of electrical conditions for use by the "reconnect" feature. The purpose of the allowed time delay is to allow a

Generating Facility to “ride through” short-term disturbances to avoid nuisance tripping. Set points shall not be user adjustable (though they may be field adjustable by qualified personnel). For Generating Facilities with a Gross Nameplate Rating greater than 30 kVA, set points shall be field adjustable and different voltage set points and trip times from those in Table D.2 may be negotiated with MVU.

[2] - Unless otherwise required by MVU, a trip frequency of 59.3 Hz and a maximum trip time of 10 cycles shall be used.

[3] - When a 10 cycle Maximum trip time is used, a second under frequency trip setting is not required.

- g. Harmonics. When the Generating Facility is serving balanced linear loads, harmonic current injection into MVU’s Distribution System at the PCC shall not exceed the limits stated below in Table D.3. The harmonic current injections shall be exclusive of any harmonic currents due to harmonic voltage distortion present in MVU’s Distribution System without the Generating Facility connected (IEEE1547-4.3.3). The harmonic distortion of a Generating Facility located at a Customer's site shall be evaluated using the same criteria as for the Host Loads.

Table D.3 Maximum harmonic current distortion in percent of current (I) [1,2]

Individual harmonic order, h (odd harmonics) [3]	$h < 11$	$11 \leq h < 17$	$17 \leq h < 23$	$23 \leq h < 35$	$35 \leq h$	Total demand distortion (TDD)
Max Distortion (%)	4.0	2.0	1.5	0.6	0.3	5.0

[1] - IEEE1547-4.3.3

[2] - I = the greater of the maximum Host Load current average demand over 15 or 30 minutes without the Generating Facility, or the Generating Facility rated current capacity (transformed to the Point of Common Coupling when a transformer exists between the Generating Facility and the Point of Common Coupling).

[3] - Even harmonics are limited to 25% of the odd harmonic limits above.

- h. Direct Current Injection. Generating Facilities should not inject direct current greater than 0.5% of rated output current into MVU’s Distribution System.
- i. Power Factor. Each Generator in a Generating Facility shall be capable of operating at some point within a power factor range from 0.9 leading to 0.9 lagging. Operation outside this range is acceptable provided the reactive power of the Generating Facility is used to meet the reactive power needs of the Host Loads or that reactive power is otherwise provided under tariff by MVU. The Producer shall notify MVU if it is using the Generating Facility for power factor correction. Unless otherwise agreed upon by the Producer and MVU, Generating Facilities shall automatically regulate power factor, not voltage, while operating in parallel with MVU’s Distribution System.

3. TECHNOLOGY SPECIFIC REQUIREMENTS

- a. Three-Phase Synchronous Generators. For three-phase Generators, the Generating Facility circuit breakers shall be three-phase devices with electronic or electromechanical control. The Producer shall be responsible for properly synchronizing its Generating Facility with MVU's Distribution System by means of either manual or automatic synchronizing equipment. Automatic synchronizing is required for all synchronous Generators that have a Short Circuit Contribution Ratio (SCCR) exceeding 0.05. Loss of synchronism protection is not required except as may be necessary to meet Section D.2.d (Flicker) (IEEE1547-4.2.5) . Unless otherwise agreed upon by the Producer and MVU, synchronous Generators shall automatically regulate power factor, not voltage, while operating in parallel with MVU's Distribution System. A power system stabilization function is specifically not required for Generating Facilities under 10 MW Net Nameplate Rating.
- b. Induction Generators. Induction Generators (except self-excited Induction Generators) do not require a synchronizing Function. Starting or rapid load fluctuations on induction generators can adversely impact MVU's Distribution System's voltage. Corrective step-switched capacitors or other techniques may be necessary and may cause undesirable ferro-resonance. When these counter measures (e.g., additional capacitors) are installed on the Producer's side of the Point of Common Coupling, MVU must review these measures. Additional equipment may be required as determined in a Supplemental Review or an Interconnection Study.
- c. Inverters. Utility-interactive inverters do not require separate synchronizing equipment. Non-utility-interactive or "stand-alone" inverters shall not be used for Parallel Operation with MVU's Distribution System.
- d. Single-Phase Generators. For single-phase Generators connected to a shared single-phase secondary system, the maximum Net Nameplate Rating of the Generating Facilities shall be 20 kVA. Generators connected to a center-tapped neutral 240-volt service must be installed such that no more than 6 kVA of imbalanced power is applied to the two "legs" of the 240-volt service. For Dedicated Distribution Transformer services, the maximum Net Nameplate Rating of a single-phase Generating Facility shall be the transformer nameplate rating.

4. SUPPLEMENTAL GENERATING FACILITY REQUIREMENTS

- a. The maximum solar generation capacity that will be approved to be connected to each meter is up to 50% of the meter minimum daytime load. The meter minimum daytime load will be determined by analyzing one year of historic data, while ignoring any extraordinary events (outages,

partial lights, etc.), unless there have been recent major changes to the daily demand schedule. In that case, the most recent information will be evaluated.

- b. For 12kV distribution circuits with multiple solar projects connected, the maximum solar generation capacity that will be approved will be up to 50% of the total minimum daytime coincident circuit load, including any solar generation previously approved on the circuit. Capacity will be approved on a first come and first serve basis. 50% of the minimum daytime coincident circuit load will be determined by analyzing one year of historic data, while ignoring any extraordinary events (outages, partial lights, etc.), unless there have been recent major changes to the daily demand schedule. In that case, the most recent information will be evaluated.
- c. Fault Detection. A Generating Facility with a short circuit contribution ratio exceeding 0.1 or one that does not cease to energize MVU's Distribution System within two seconds of the formation of an Unintended Island shall be equipped with Protective Functions designed to detect Distribution System faults, both line-to-line and line-to-ground, and shall cease to energize MVU's Distribution System within two seconds of the initiation of a fault.
- d. Transfer Trip. For a Generating Facility that cannot detect Distribution System faults (both line-to-line and line-to-ground) or the formation of an Unintended Island, and cease to energize MVU's Distribution System within two seconds, MVU may require a Transfer Trip system or an equivalent Protective Function.
- e. Reclose Blocking. Where the aggregate Generating Facility capacity exceeds 15% of the peak load on any automatic reclosing device, MVU may require additional Protective Functions, including, but not limited to reclose-blocking on some of the automatic reclosing devices.
- f. The Generating Facility may require additional approvals from other agencies before the Facility is allowed to begin construction.

E. INTERCONNECTION FACILITIES AND DISTRIBUTION SYSTEM MODIFICATIONS

- 1. SCOPE AND OWNERSHIP OF INTERCONNECTION FACILITIES AND DISTRIBUTION SYSTEM MODIFICATIONS
 - a. Scope. Parallel Operation of Generating Facilities may require Interconnection Facilities or modifications to MVU's Distribution

System (“Distribution System modifications”). The type, extent and costs of Interconnection Facilities and Distribution System modifications shall be consistent with this Rule and determined through the Supplemental Review and/or Interconnection Studies described in Section C.

- b. Ownership. Interconnection Facilities installed on Producer’s side of the Point of Common Coupling may be owned, operated and maintained by the Producer or MVU. Interconnection Facilities installed on MVU’s side of the Point of Common Coupling and Distribution System modifications shall be owned, operated and maintained only by MVU.

2. RESPONSIBILITY OF COSTS OF INTERCONNECTING A GENERATING FACILITY

- a. Review, Study, and Additional Commissioning Test Verification (pre-parallel inspections) Costs. A producer shall be responsible for the reasonably incurred costs of the reviews studies, and additional Commissioning Test verifications (pre-parallel inspections) conducted pursuant to Section C of the Rule. If the initial Commissioning Test verification (pre-parallel inspection) is not successful through no fault of MVU, MVU may impose upon the Producer a cost-based charge for subsequent Commissioning Test verifications (pre-parallel inspections). All Costs for additional Commissioning Test verifications (pre-parallel inspections) shall be paid by Producer within thirty days of receipt of MVU’s invoice. Additional costs, if any, will be specified on the invoice. If the initial Commissioning test (pre-parallel inspection) is not successful through the fault of the MVU, that visit will not be considered the initial Commissioning Test (pre-parallel inspection).
- b. Facility Costs. A Producer shall be responsible for all costs associated with Interconnection Facilities owned by the Producer. The Producer shall also be responsible for any costs reasonably incurred by MVU in providing, operating, or maintaining the Interconnection Facilities and Distribution System modifications required solely for the Interconnection of the Producer’s Generating Facility with MVU’s Distribution System. Generating Facilities eligible for Net Energy Metering under California Public Utilities Code Sections 2827, 2827.8, 2827.9, or 2827.10 are exempt from any costs associated with Distribution System modifications.

- c. Separation of Costs. Should MVU combine the installation of Interconnection Facilities or Distribution System modifications required for the Interconnection of a Generating Facility with modifications to MVU's Distribution System to serve other Customers or Producers, MVU shall not include the costs of such separate or incremental facilities in the amounts billed to the Producer.
3. **INSTALLATION OF INTERCONNECTION FACILITIES AND DISTRIBUTION SYSTEM MODIFICATIONS**
 - a. Agreement Required. The costs for Interconnection Facilities and Distribution System modifications shall be paid by the Producer pursuant to the provisions contained in the Interconnection Agreement.
 - b. Interconnection Facilities and Distribution System Modifications. Except as provided for in Sections E.2.b. and E.3.c. of this Rule, Interconnection Facilities connected to MVU's side of the Point of Common Coupling and Distribution System modifications shall be provided, installed, owned and maintained by MVU at Producer's expense, or may be installed by a third party upon approval by MVU.
 - c. Third-Party Installations. Subject to the approval of MVU, a Producer may at its option employ a qualified contractor to provide and install Interconnection Facilities or Producer paid Distribution System modifications, to be owned and operated by MVU, on MVU's side of the Point of Common Coupling. Such Interconnection Facilities and Distribution System modifications shall be installed in accordance with MVU's design and specifications. Upon final inspection and acceptance by MVU, the Producer shall transfer ownership of such Producer installed Interconnection Facilities or Distribution System modifications to MVU and such facilities shall thereafter be owned and maintained by MVU. The Producer shall pay MVU's reasonable cost of design, administration, and monitoring of the installation for such facilities to ensure compliance with MVU's requirements. The Producer shall also be responsible for all costs associated with the transfer of Producer installed Interconnection Facilities and Distribution System modifications to MVU.

F. METERING, MONITORING AND TELEMETRY

1. **GENERAL REQUIREMENTS:** All Generating Facilities shall be metered in accordance with this Section F and shall meet all applicable standards of MVU

contained in MVU's applicable rules and published MVU manuals dealing with specifications.

2. **METERING BY NON-MVU PARTIES:** The ownership, installation, operation, reading and testing of revenue Metering Equipment for Generating Facilities shall be by MVU.
3. **NET GENERATION OUTPUT METERING (NGOM):** Generating Facilities' customers may be required to install NGOM for evaluation, monitoring and verification purposes, to satisfy applicable CAISO reliability requirements, and for Distribution System planning and operations.

The relevant factors in determining the need for NGOM are as listed below:

- a. Data requirements in proportion to need for information;
- b. Producer's election to install equipment that adequately addresses MVU's operational requirements;
- c. Accuracy and type of required Metering consistent with purposes of collecting data;
- d. Cost of Metering relative to the need for and accuracy of the data;
- e. The Generating Facility's size relative to the cost of the Meter/monitoring;
- f. Other means of obtaining the data (e.g., Generating Facility logs, proxy data etc.);
- g. Requirements under any interconnection Agreement with the Producer.

The requirements in this Section may not apply to Metering of Generating Facilities operating under MVU's Net Energy Metering tariff pursuant to the California Public Utilities Cod Section 2827, et seq. Nothing in this Section F.3 supersedes Section B.4.

4. **POINT OF COMMON COUPLING METERING:** For purposes of assessing MVU charges for retail service, the Producer's PCC Metering shall be a bi-directional meter so that power deliveries to and from the Producer's site can be separately recorded. Alternately, the Producer may, at its sole option and cost, require MVU to install multi-metering equipment to separately record power deliveries to MVU's Distribution System and retail purchases from MVU. Where necessary, such PCC Metering shall be designed to prevent reverse registration.
5. **TELEMETERING:** If the nameplate rating of the Generating Facility is 1 MW or greater, Telemetering equipment at the Net Generator Output Metering location may be required at the Producer's expense. If the Generating Facility is Interconnected to a portion of MVU's Distribution System operating at a voltage below 10 kV, then Telemetering equipment may be required on Generating

Facilities 250 kW or greater. MVU shall only require Telemetry to the extent that less intrusive and/or more cost effective options for providing the necessary data in real time are not available.

6. **LOCATION:** Where MVU-owned Metering is located on the Producer's premises, Producer shall provide, at no expense to MVU, a suitable location for all such Metering Equipment.
7. **COSTS OF METERING:** The Producer will bear all costs of the Metering required by this Rule, including the incremental costs of operating and maintaining the Metering Equipment.

G. DISPUTE RESOLUTION PROCESS

The following procedures will apply for disputes arising from this Rule:

1. The City Council shall have jurisdiction to interpret, add, delete or modify any provision of this Rule or of any agreements entered into between MVU and the Producer to implement this tariff ("The Implementing Agreements") and to resolve disputes regarding MVU's performance of its obligations under its rules, the applicable agreements, and requirements related to the Interconnection of the Producer's Generating or Interconnection Facilities pursuant to this Rule.
2. The dispute shall be submitted in writing by the Producer to MVU. Authorized representatives from both Parties shall meet and confer to try to resolve the dispute. If the Parties cannot resolve the dispute, the dispute will be submitted to the City Council for resolution. Their decision shall be final.
3. Pending resolution of any dispute under this Section, the Parties shall proceed diligently with the performance of their respective obligations under this Rule and the Implementing Agreements, unless the Implementing Agreements have been terminated. Disputes as to the application and implementation of this Section shall be subject to resolution pursuant to the procedures set forth in this Section.

H. DEFINITIONS

The definitions in this Section H are applicable only to this Rule, the Application and Interconnection Agreements.

Anti-Islanding: A control scheme installed as part of the Generating Facility or Interconnection Facilities that senses and prevents the formation of an Unintended Island.

Applicant: The entity submitting an Application for Interconnection pursuant to this Rule.

Application: A Commission-approved standard form submitted to MVU for Interconnection of a Generating Facility.

Certification Test: A test pursuant to this Rule that verifies conformance of certain equipment with Commission-approved performance standards in order to be classified as Certified Equipment. Certification Tests are performed by NRTLs.

Certification; Certified; Certificate: The documented results of a successful Certification Testing.

Certified Equipment: Equipment that has passed all required Certification Tests.

Commissioning Test: A test performed during the commissioning of all or part of a Generating Facility to achieve one or more of the following:

- Verify specific aspects of its performance;
- Calibrate its instrumentation; and
- Establish instrument or Protective Function set-points.

Customer: The entity that receives or is entitled to receive Distribution Service through the MVU's Distribution System.

Dedicated Transformer; Dedicated Distribution Transformer: A transformer that provides electricity service to a single Customer. The Customer may or may not have a Generating Facility.

Device: A mechanism or piece of equipment designed to serve a purpose or perform a function. The term may be used interchangeably with the terms "equipment" and "function" without intentional difference in meaning. See also Function and Protective Function.

Distribution Service: All services required by, or provided to, a Customer pursuant to the approved rules of MVU other than services directly related to the Interconnection of a Generating Facility under this Rule.

Distribution System: All electrical wires, equipment, and other facilities owned or provided by MVU, other than Interconnection Facilities, by which MVU provides Distribution Service to its Customers.

Emergency: An actual or imminent condition or situation, which jeopardizes MVU's Distribution System Integrity.

Field Testing: Testing performed in the field to determine whether equipment meets MVU's requirements for safe and reliable Interconnection.

Function: Some combination of hardware and software designed to provide specific features or capabilities. Its use, as in Protective Function, is intended to encompass a range of implementations from a single-purpose device to a section of software and specific pieces of hardware within a larger piece of equipment to a collection of devices and software.

Generating Facility: All Generators, electrical wires, equipment, and other facilities owned or provided by Producer for the purpose of producing electric power.

Generator: A device converting mechanical, chemical or solar energy into electrical energy, including all of its protective and control Functions and structural appurtenances. One or more Generators comprise a Generating Facility.

Gross Nameplate Rating; Gross Nameplate Capacity: The total gross generating capacity of a Generator or Generating Facility as designated by the manufacturer(s) of the Generator(s).

Host Load: The electrical power, less the Generator auxiliary load, consumed by the Customer, to which the Generating Facility is connected.

Initial Review: The review by MVU, following receipt of an Application, to determine the following: (a) the Generating Facility qualifies for Simplified Interconnection; or (b) if the Generating Facility can be made to qualify for Interconnection with a Supplemental Review determining any additional requirements.

In-rush Current: The current determined by the In-rush Current Test.

Interconnection Agreement: An agreement between MVU and the Producer providing for the Interconnection of a Generating Facility that gives certain rights and obligations to effect or end Interconnection. For the purposes of this Rule, Net Energy Metering or Power Purchase Agreements authorized by the Commission are also defined as Interconnection Agreements.

Interconnection; Interconnected: The physical connection of a Generating Facility in accordance with the requirements of this Rule so that Parallel Operation with MVU's Distribution System can occur (has occurred).

Interconnection Facilities: The electrical wires, switches and related equipment that are required in addition to the facilities required to provide electric Distribution Service to a Customer to allow Interconnection. Interconnection Facilities may be located on either side of the Point of Common Coupling as appropriate to their purpose and design. Interconnection Facilities may be integral to a Generating Facility or provided separately.

Interconnection Study: A study to establish the requirements for Interconnection of a Generating Facility with MVU's Distribution System.

Island; Islanding: A condition on MVU's Distribution System in which one or more Generating Facilities deliver power to Customers using a portion of MVU's Distribution System that is electrically isolated from the remainder of MVU's Distribution System.

Line Section: That portion of MVU's Distribution System connected to a Customer bounded by automatic sectionalizing devices or the end of the distribution line.

Load Carrying Capability: The maximum electrical load that may be carried by a section of MVU's Distribution System consistent with reliability and safety under the circumstances being evaluated.

Metering: The measurement of electrical power in kW and/or energy in kWh, and, if necessary, reactive power in kVAR at a point, and its display to MVU, as required by this Rule.

Metering Equipment: All equipment, hardware, software including meter cabinets, conduit, etc., that are necessary for Metering.

Momentary Parallel Operation: The interconnection of a Generating Facility to the Distribution System for one second (60 cycles) or less.

Nationally Recognized Testing Laboratory (NRTL): A laboratory accredited to perform the Certification Testing requirements under this Rule.

Net Energy Metering: Metering for the receipt and delivery of electricity between the Producer and MVU pursuant to Section 2827, 2827.8, 2827.9, or 2827.10 of the Public Utilities Code.

Net Generation Output Metering: Metering of the net electrical power output in kW or energy in kWh, from a given Generating Facility. This may also be the measurement of the difference between the total electrical energy produced by a Generator and the electrical energy consumed by the auxiliary equipment necessary to operate the Generator. For a Generator with no Host Load and/or Public Utilities Code Section 218 Load (Section 218 Load), Metering that is located at the Point of Common Coupling. For a Generator with Host Load and/or Section 218 Load, Metering that is located at the Generator but after the point of auxiliary load(s) and prior to serving Host Load and/or Section 218 Load.

Net Nameplate Rating: The Gross Nameplate Rating minus the consumption of electrical power of a Generator or Generating Facility as designated by the manufacturer(s) of the Generator(s).

Network Service: More than one electrical feeder providing Distribution Service at a Point of Common Coupling.

Non-Export; Non-Exporting: Designed to prevent the transfer of electrical energy from the Generating Facility to MVU's Distribution System.

Non-Islanding: Designed to detect and disconnect an Unintended Island with matched load and generation. Reliance solely on under/over voltage and frequency trip is not considered sufficient to qualify as Non-Islanding.

Parallel Operation: The simultaneous operation of a Generator with power delivered or received by MVU while Interconnected. For the purpose of this Rule, Parallel Operation

includes only those Generating Facilities that are Interconnected with MVU's Distribution System for more than 60 cycles (one second).

Paralleling Device: An electrical device, typically a circuit breaker, operating under the control of a synchronization function or by a qualified operator to connect an energized generator to an energized electric power system or two energized power systems to each other.

Periodic Test: A test performed on part or all of a Generating Facility/ Interconnection Facilities at pre-determined time or operational intervals to achieve one or more of the following: (1) Verify specific aspects of its performance; (2) Calibrate instrumentation; and (3) Verify and re-establish instrument or Protective Function set-points.

Point of Common Coupling (PCC): The transfer point for electricity between the electrical conductors of MVU and the electrical conductors of the Producer.

Point of Common Coupling Metering: Metering located at the Point of Common Coupling. This is the same Metering as Net Generation Metering for Generating Facilities with no Host Load and/or Section 218 Load.

Point of Interconnection: The electrical transfer point between a Generating Facility and MVU's Distribution System. This may or may not be coincident with the Point of Common Coupling.

Producer: The entity that executes an Interconnection Agreement with MVU. The Producer may or may not own or operate the Generating Facility, but is responsible for the rights and obligations related to the Interconnection Agreement.

Production Test: A test performed on each device coming off the production line to verify certain aspects of its performance.

Protective Function(s): The equipment, hardware and/or software in a Generating Facility (whether discrete or integrated with other functions) whose purpose is to protect against Unsafe Operating Conditions.

Prudent Electrical Practices: Those practices, methods, and equipment, as changed from time to time, that are commonly used in prudent electrical engineering and operations to design and operate electric equipment lawfully and with safety, dependability, efficiency and economy.

Scheduled Operation Date: The date specified in the Interconnection Agreement when the Generating Facility is, by the Producer's estimate, expected to begin operation pursuant to this Rule.

Secondary Network: A network supplied by several primary feeders suitably interlaced through the area in order to achieve acceptable loading of the transformers under

emergency conditions and to provide a system of extremely high service reliability. Secondary networks usually operate at 600 V or lower.

Section 218 Load: Electrical power that is supplied in compliance with California Public Utilities Code Section 218. Public Utilities Code Section 218 defines an “Electric Corporation” and provides conditions under which a transaction involving a Generating Facility would not classify a Producer as an Electric Corporation. These conditions relate to “over-the-fence” sale of electricity from a Generating Facility without using MVU’s Distribution System.

Short Circuit (Current) Contribution Ratio (SCCR): The ratio of the Generating Facility’s short circuit contribution to the short circuit contribution provided through MVU’s Distribution System for a three-phase fault at the high voltage side of the distribution transformer connecting the Generating Facility to MVU’s system.

Simplified Interconnection: Interconnection conforming to the Initial Review requirements under this Rule, as determined by Section I.

Single Line Diagram; Single Line Drawing: A schematic drawing, showing the major electric switchgear, Protective Function devices, wires, Generators, transformers and other devices, providing sufficient detail to communicate to a qualified engineer the essential design and safety of the system being considered.

Special Facilities: As defined in MVU’s Rules governing Special Facilities.

Starting Voltage Drop: The percentage voltage drop at a specified point resulting from In-rush Current. The Starting Voltage Drop can also be expressed in volts on a particular base voltage, (e.g., 6 volts on a 120-volt base, yielding a 5% drop).

Supplemental Review: A process wherein MVU further reviews an Application that fails one or more of the Initial Review Process steps. The Supplemental Review may result in one of the following: (a) approval of Interconnection; (b) approval of Interconnection with additional requirements; or (c) cost and schedule for an Interconnection Study.

System Integrity: The condition under which MVU’s Distribution System is deemed safe and can reliably perform its intended functions in accordance with the safety and reliability rules of MVU.

Telemetry: The electrical or electronic transmittal of Metering data in real-time to MVU.

Transfer Trip: A Protective Function that trips a Generating Facility remotely by means of an automated communications link controlled by MVU.

Type Test: A test performed on a sample of a particular model of a device to verify specific aspects of its design, construction and performance.

Unintended Island: The creation of an island, usually following a loss of a portion of MVU's Distribution System, without the approval of MVU.

Unsafe Operating Conditions: Conditions that, if left uncorrected, could result in harm to personnel, damage to equipment, loss of System Integrity or operation outside pre-established parameters required by the Interconnection Agreement.

I. REVIEW PROCESS FOR APPLICATIONS TO INTERCONNECT GENERATION FACILITIES

1. INTRODUCTION

This Review Process allows for rapid approval for the interconnection of those Generating Facilities that do not require an Interconnection Study. The review process includes a screening to determine if a Supplemental Review is required.

Note: Failure to pass any step of the review process means only that further review and/or studies are required before the Generating Facility can be approved for Interconnection with MVU's Distribution System. It does not mean that the Generating Facility cannot be Interconnected. Though not explicitly covered in the Initial Review Process the Generating Facility shall be designed to meet all of the applicable requirements in Section D.

2. PURPOSE

The review determines the following:

- a. If a Generating Facility qualifies for Simplified Interconnection;
- b. If a Generating Facility can be made to qualify for Interconnection with a Supplemental Review determining any additional requirements; or
- c. If an Interconnection Study is required, the cost estimate and schedule for performing the Interconnection Study.

3. REVIEW PROCESS DETAILS

- a. Step 1: Is the PCC on a Networked Secondary System?
 - If yes, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review.
 - If No, continue to next step.

Significance: Special considerations must be given to Generating Facilities proposed to be installed on networked secondary Distribution Systems because of the design and operational aspects of network protectors. There are no such considerations for radial Distribution Systems.

b. Step 2: Will power be exported across the PCC?

- If yes, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review.
- If No, the Generating Facility must incorporate one of the following four options:

Option 1 (“Reverse Power Protection”): To ensure that power is not exported across the PCC, a reverse power Protective Function may be provided.. The default setting for this Protective Function, when used, shall be 0.1% (export) of the service transformer’s rating, with a maximum 2.0 second time delay.

Option 2 (“Minimum Power Protection”): To ensure that at least a minimum amount of power is imported across the PCC at all times (and therefore, that power is not exported), an under-power Protective Function may be provided.. The default setting for this Protective Function, when used, shall be 5% (import) of the Generating Facility’s total Gross Nameplate Rating, with a maximum 2.0 second time delay.

Option 3 (“Certified Non-Islanding Protection”): To ensure that the incidental export of power across the PCC is limited to acceptable levels, this option, when used, requires that all of the following conditions be met: (a) the total Gross Nameplate Capacity of the Generating Facility must be no more than 25% of the nominal ampere rating of the Producer’s service equipment; (b) the total Gross Nameplate Capacity of the Generating Facility must be no more than 50% of the Producer’s service transformer capacity rating (this capacity requirement does not apply to customers taking primary service without an intervening transformer); and (c) the Generating Facility must be certified as Non-Islanding.

The ampere rating of the Customer’s Service Equipment to be used in this evaluation will be that rating for which the customer’s utility service was originally sized or for which an upgrade has been approved. It is not the intent of this provision to allow increased export simply by increasing the size of the customer’s service panel, without separate approval for the resize.

Option 4 (“Relative Generating Facility Rating”): This option, when used, requires Net Nameplate Rating of the Generating Facility to be so small in comparison to its host facility’s minimum load, that the use of additional

Protective Functions is not required to insure that power will not be exported to MVU's Distribution System. This option requires the Generating Facility capacity to be no greater than 50% of the Producer's verifiable minimum Host Load over the past 12 months.

Significance:

- 1) If it can be ensured that the Generating Facility will not export power, MVU's Distribution System does not need to be studied for Load-Carrying Capability or Generating Facility power flow effects on MVU voltage regulators.
 - 2) This step permits the use of reverse-power or minimum-power relaying as a Non-Islanding Protective Function (Options 1, 2 and 3).
 - 3) This step allows, under certain defined conditions, for Generating Facilities that incorporate Certified Non-Islanding protection to qualify for Simplified
- c. Step 3: Is the Interconnection Facilities equipment Certified for the application or does the Interconnection Facilities equipment have interim MVU approval?
- If Yes, continue to next step.
 - If No, the Generating Facility and/or Interconnection Facilities does not qualify or Simplified Interconnection. Perform Supplemental Review.

Interim approval allows the MVU to treat equipment that has not completed the Rule 21 certification requirements as having met the intent of this screen. Interim approval is granted, at MVU's discretion, on a case by case basis, and approval for one Generating Facility does not guarantee approval for any other Generating Facility

Significance: If the Generating Facility and/or Interconnection Facilities has been Certified or previously approved by MVU, MVU does not need to repeat its full review and/or test of the Generating and/or Interconnection Facilities' Protective Functions. Site Commissioning Testing may still be required to insure that the Protective Functions are working properly.

Certification indicates that the criteria in Section J, as appropriate, have been tested and verified.

- d. Step 4: Is the aggregate Generating Facility capacity on the Line Section less than 15% of Line Section peak load?
- If Yes, continue to next step.
 - If No, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review to determine cumulative impact on Line Section.

Significance:

- 1) Low penetration of Generating Facility installations will have a minimal impact on the operation and load restoration efforts of MVU's Distribution System.
- 2) The operating requirements for a high penetration of Generating Facilities may be different since the impact on MVU's Distribution System will no longer be minimal, therefore requiring additional study or controls.

- e. Step 5: Is the Starting Voltage Drop within acceptable limits?

- If Yes, continue to next step.
- If No, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review.

Note: This Step only applies to Generating Facilities that start by motoring the Generator(s).

MVU has two options in determining whether Starting Voltage Drop is acceptable. The option to be used is at MVU's discretion:

Option 1: MVU may determine that the Generating Facility's starting In-rush Current is equal to or less than the continuous ampere rating of the customer's service equipment.

Option 2: MVU may determine the impedances of the service distribution transformer (if present) and the secondary conductors to Customer's service equipment and perform a voltage drop calculation. Alternatively, MVU may use tables or nomographs to determine the voltage drop. Voltage drops caused by starting a Generator as a motor must be less than 2.5% for primary interconnections and 5% for secondary interconnections.

Significance:

- 1) This step addresses potential voltage fluctuation problems that may be caused by Generators that start by motoring.

- 2) When starting, Generating Facilities should have minimal impact on the service voltage to other MVU Customers.
 - 3) Passing this step does not relieve the Producer from ensuring that its Generating Facility complies with the flicker requirements of this Rule, Section D.2.d.
- f. Step 6: Is the Gross Nameplate Rating of the Generating Facility 11 kVA or less?
- If Yes, the Generating Facility qualifies for Simplified Interconnection. Skip remaining steps.
 - If No, continue to next step.

Significance:

The Generating Facility will have a minimal impact on fault current levels and any potential line overvoltages from loss of MVU's Distribution System neutral grounding.

- g. Step 7: Is the Short Circuit Current Contribution Ratio within acceptable limits?
- If Yes, continue to next step.
 - If No, the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review.

The Short Circuit Current Contribution Ratio Screen consists of two criteria; both of which must be met when applicable:

- 1) When measured at primary side (high side) of a Dedicated Distribution Transformer serving a Generating Facility, the sum of the Short Circuit Contribution Ratios of all generating facilities connected to MVU's Distribution System circuit that serves the Generating Facility must be less than or equal to 0.1, and
- 2) When measured at the secondary side (low side) of a shared distribution transformer, the short circuit contribution of the proposed Generating Facility must be less than or equal to 2.5% of the interrupting rating of the Producer's Service Equipment.

Significance:

If the Generating Facility passes this screen it can be expected that it will have no significant impact on MVU's Distribution System's short circuit duty, fault detection sensitivity, relay coordination or fuse-saving schemes.

- h. Step 8: Is the Line Configuration compatible with the Interconnection type?
- If Yes, the Generating Facility qualifies for Simplified Interconnection.
 - If No, then the Generating Facility does not qualify for Simplified Interconnection. Perform Supplemental Review. Identify primary distribution line configuration that will serve the Generating Facility. Based on the type of Interconnection to be used for the Generating Facility, determine from the Table I.1 if the proposed Generating Facility passes the step.

Table I.1

Primary Distribution Line Type Configuration	Type of Interconnection to be Made to Primary Distribution Line	Results/Criteria
Three-phase, three wire	Any type	Pass Step
Three-phase, four wire	Single-phase, line-to-neutral	Pass Step
Three-phase, four wire (For any line that has such a section OR mixed three wire and four wire)	All others	To pass, aggregate GF Nameplate Rating must be less than or equal to 10% of Line Section peak load

Significance: If the primary distribution line serving the Generating Facility is of a “three-wire” configuration, or if the Generating Facility’s distribution transformer is single-phase and connected in a line-to-neutral configuration, then there is no concern about overvoltages to MVU’s, or other Customer’s equipment caused by loss of system neutral grounding during the operating time of the Non-Islanding Protective Function.

J. CERTIFICATION AND TESTING CRITERIA

1. INTRODUCTION

This Section describes the test procedures and requirements for equipment used for the Interconnection of Generating Facilities to MVU’s Distribution System. Included are Type Testing, Production Testing, Commissioning Testing and Periodic Testing. The procedures listed rely heavily on those described in appropriate Underwriters Laboratory (UL), Institute of Electrical and Electronic Engineers (IEEE), and International Electrotechnical Commission (IEC) documents—most notably UL 1741 and IEEE 929, as well as the testing described in *May 1999 New York State Public Services Commission Standardized Interconnection Requirements*. As noted in Section A, this rule has been revised

to be consistent with ANSI/IEEE 1547-2003 *Standard for Interconnecting Distributed Resources with Electric Power Systems*.

The tests described here, together with the technical requirements in Section D of this Rule, are intended to provide assurance that the Generating Facility's equipment will not adversely affect MVU's Distribution System and that a Generating Facility will cease providing power to MVU's Distribution System under abnormal conditions. The tests were developed assuming a low level of Generating Facility penetration or number of connections to MVU's Distribution System. At high levels of Generating Facility penetration, additional requirements and corresponding test procedures may need to be defined.

Section J also provides criteria for "Certifying" Generators or inverters. Once a Generator or inverter has been Certified per this Rule, it may be considered suitable for Interconnection with MVU's Distribution System. Subject to the exceptions described in Section J, MVU will not repeat the design review or require retesting of such Certified Equipment. It should be noted that the Certification process is intended to facilitate Generating Facility Interconnections. Certification is not a prerequisite to interconnect a Generating Facility.

The revisions made to this rule relative to IEEE 1547-2003 have resulted in changes in set points, test criteria, test procedures, and other requirements that will impact previously certified or listed equipment as well as equipment currently under evaluation. These changes were made to provide consistency with IEEE 1547. Equipment that is certified or that has been submitted to a Nationally Recognized Testing Laboratory (NRTL) for testing prior to the adoption of the revised Underwriters Laboratories (UL) 1741 titled Inverters, Converters, Controllers and Interconnection Systems Equipment for use with Distributed Energy Resources and that subsequently meet the provisions Rule 21 certification requirements will continue to be accepted as Certified Equipment for Interconnection Applications submitted through May 7, 2007, the effective date of the revised UL 1741. [this change will be incorporated by Advice Letter in Dec. 2005]

2. CERTIFIED AND NON-CERTIFIED INTERCONNECTION EQUIPMENT

a. Certified Equipment

Equipment tested and approved (e.g., "Listed") by an accredited NRTL as having met both the Type Testing and Production Testing requirements described in this document is considered to be Certified Equipment for purposes of Interconnection with MVU's Distribution System. Certification may apply to either a pre-packaged system or an assembly of components that address the necessary functions. Type Testing may be done in the manufactures' factory or test laboratory, or in the field. At the discretion of the testing laboratory, field-certification may apply only to

the particular installation tested. In such cases, some or all of the tests may need to be repeated at other installations.

When equipment is certified by a NRTL, the NRTL shall provide to the manufacturer, at a minimum, a Certificate with the following information for each device:

Administrative:

- 1) The effective date of Certification or applicable serial number (range or first in series), and/or other proof that Certification is current;
- 2) Equipment model number(s) of the Certified Equipment;
- 3) The software version utilized in the equipment, if applicable;
- 4) Test procedures specified (including date or revision number); and
- 5) Laboratory accreditation (by whom and to what standard).

Technical (as appropriate):

- 1) Device ratings (kW, kVA, Volts, Amps, etc.);
- 2) Maximum available fault current in Amps;
- 3) In-rush Current in Amps;
- 4) Trip points, if factory set (trip value and timing);
- 5) Trip point and timing ranges for adjustable settings;
- 6) Nominal power factor or range if adjustable;
- 7) If the equipment is Certified for Non-Exporting and the method used (reverse power or under power); and
- 8) If the equipment is Certified Non-Islanding.

It is the responsibility of the equipment manufacturer to ensure that Certification information is made publicly available by the manufacturer, the testing laboratory or by a third party.

b. Non-Certified Equipment

For non-Certified Equipment, some or all of the tests described in this Rule may be required by MVU for each Generating Facility and/or Interconnection Facilities. The manufacturer or a laboratory acceptable to

MVU may perform these tests. Test results for Non-Certified Equipment must be submitted to MVU for the Supplemental Review. Approval by MVU for equipment used in a particular Generating Facility and/or Interconnection Facilities does not guarantee MVU's approval for use in other Generating Facility and/or Interconnection Facilities.

3. TYPE TESTING

- a. Type Tests and Criteria for Interconnection Equipment Certification. Type Testing provides a basis for determining that equipment meets the specifications for being designated as Certified Equipment under this Rule. The requirements described in this Section cover only issues related to Interconnection and are not intended to address equipment safety or other issues.

Table J.1. defines the test criteria by Generator or inverter technology. While UL 17411 was written specifically for inverters, the requirements are readily adaptable to synchronous Generators, induction Generators, as well as single/multi-function controllers and protection relays. Until a universal test standard is developed, MVU or NRTL shall adapt the procedures referenced in Table J.1 as appropriate and necessary for a Generating Facility and/or Interconnection Facilities or associated equipment performance and its control and Protective Functions. The tests shall be performed in the sequence shown in Table J.2 below.

Table J.1 Type Tests and Requirements for Interconnection Equipment Certification

Type Test	Reference (1)	Inverter	Synchronous Generator	Induction Generator
Utility Interaction	UL 1741 – 39	X	X	X
DC Isolation	UL 1741 – 40.1	X	-	-
Simulated PV Array (Input) Requirements	UL 1741 – 41.2	X	-	-
Dielectric Voltage Withstand	UL 1741 – 44	X	X	X
Power Factor	UL 1741 – 45.2.2	X	X	X
Harmonic Distortion	UL 1741 – 45.4	X	X	X
DC Injection	UL 1741 – 45.5	X	-	-
Utility Voltage and Frequency Variation	UL 1741 – 46.2	X	X	X
Reset Delay	UL 1741 – 46.2.3	X	X	X
Loss of Control Circuit	UL 1741 – 46.4	X	X	X
Short Circuit	UL 1741 – 47.3	X	X	X
Load Transfer	UL 1741 – 47.7	X	X	X
Surge Withstand Capability	J.3.e	X	X	X
Anti-Islanding	J.3.b	(2)	(2)	(2)
Non-Export	J.3.c	(3)	(3)	(3)
In-rush Current	J.3.d	-	-	(4)
Synchronization	J.3.f	(5)	X	(5)

- Table Notes: (1) References are to section numbers in either UL 1741 (Inverters, Converters and Charge Controllers for use in Independent Power Systems) or this Rule. References in UL 1741 to “photovoltaics” or “inverter” may have to be adapted to the other technologies by the testing laboratory to appropriately apply in the tests to other technologies.
- (2) Required only if Non-Islanding designation
- (3) Required only if Non-Export designation is desired.
- (4) Required for Generators that use MVU power to motor to speed.
- (5) Required for all self-excited induction Generators as well as Inverters that operate as voltage sources when connected to MVU’s Distribution System.
- X = Required , - = Not Required

Table J.2 Type Tests Sequence for Interconnection Equipment Certification

Test No.	Type Test
1	Utility Voltage and Frequency Variation
2	Synchronization
3	Surge Withstand Capability
4	Utility Voltage and Frequency Variation
5	Synchronization
6	Other Required and Optional Tests
Tests 1, 2, and 3, must be done first and in the order shown. Tests 4 and on follow in order convenient to the test agency.	

b. Anti-Islanding Test

Devices that pass the Anti-Islanding test procedure described in UL 1741 Section 46.3 will be considered Non-Islanding for the purposes of these interconnection requirements. The test is required only for devices for which a Certified Non-Islanding designation is desired.

c. Non-Export Test

Equipment that passes the Non-Export test procedure described in Section J.7.a. will be considered Non-Exporting for the purposes of these Interconnection requirements. This test is required only for equipment for which a Certified Non-Export designation is desired.

d. In-rush Current Test

Generation equipment that utilizes MVU power to motor up to speed will be tested using the procedure defined in Section J.7.b. to determine the maximum current drawn during this startup process. The resulting In-rush Current is used to estimate the Starting Voltage Drop.

e. Surge Withstand Capability Test

The interconnection equipment shall be tested for the surge withstand requirement in D.1.c in all normal operating modes in accordance with

IEEE Std C62.45-2002 for equipment rated less than 1000 V to confirm that the surge withstand capability is met by using the selected test level(s) from IEEE Std C62.41.2-2002. Interconnection equipment rated greater than 1000 V shall be tested in accordance with manufacturer or system integrator designated applicable standards. For interconnection equipment signal and control circuits, use IEEE Std C37.90.1-2002. These tests shall confirm the equipment did not fail, did not misoperate, and did not provide misinformation (IEEE1547-5.1.3.2). The location/exposure category for which the equipment has been tested shall be clearly marked on the equipment label or in the equipment documentation. External surge protection may be used to protect the equipment in harsher location/exposure categories.

f. Synchronization Test

This test is applied to synchronous Generators, self-excited induction generators, and inverters capable of operating as voltage-source while connected to MVU's Distribution System. The test is also applied to the resynchronization Function (transition from stand-alone to parallel operation) on equipment that provides such functionality. This test may not need to be performed on both the synchronization and re-synchronization functions if the manufacturers can verify to the satisfaction of the testing organization that monitoring and controls hardware and software are common to both functions. This test is not necessary for induction generators or current-source inverters. Instead, the In-rush Current test Section J.3.d shall be applied to those generators.

This test shall demonstrate that at the moment of the paralleling-device closure, all three synchronization parameters in Table J.3 are within the stated limits. This test shall also demonstrate that if any of the parameters are outside of the limits stated in the table, the paralleling-device shall not close (IEEE 1547- 5.1.2A). The test will start with only one of the three parameters: (1) voltage difference between Generating Facility and MVU's Distribution System; (2) frequency difference; or (3) phase angle outside of the synchronization specification. Verify that the Generating Facility is brought within specification prior to synchronization. Repeat the test five times for each of the three parameters. For manual synchronization with synch check or manual control with auto synchronization, the test must verify that paralleling does not occur until the parameters are brought within specifications.

Table J.3. Synchronization Parameter Limits [1]

Aggregate Rating of Generator Units (kVA)	Frequency Difference (Δf , Hz)	Voltage Difference (ΔV , %)	Phase Angle Difference ($\Delta \phi$, \square)
0-500	0.3	10	20
> 500-1,500	0.2	5	15
> 1,500-10,000	0.1	3	10

[1] – IEEE 1547-5.1.1B

g. Paralleling Device Withstand Test

The di-electric voltage withstand test specified in Section J.1 shall be performed on the paralleling device to ensure compliance with those requirements specified in Section D.1.c (IEEE 1547-5.1.3.3).

4. Production Testing

As a minimum, each interconnection system shall be subjected to the Utility Voltage and Frequency Variation Test procedure described in UL1741 under Manufacturing and Production Tests, Section 68 and the Synchronization test specified in Section J.3.f Interconnection systems with adjustable set points shall be tested at a single set of set points as specified by the manufacturer. This test may be performed in the factory or as part of a Commissioning Test (Section J.5.).

5. Commissioning Testing

- a. Commissioning Testing, where required, will be performed on-site to verify protective settings and functionality. Upon initial Parallel Operation of a Generating Facility, or any time interface hardware or software is changed that may affect the functions listed below, a Commissioning Test must be performed. An individual qualified in testing protective equipment (professional engineer, factory-certified technician, or licensed electrician with experience in testing protective equipment) must perform Commissioning Testing in accordance with the manufacturer's recommended test procedure to verify the settings and requirements per this Rule.

MVU may require written Commissioning test procedure be submitted to MVE at least 10 working days prior to the performance of the Commissioning Test. MVU has the right to witness Commissioning Test, MVU may also require written certification by the installer describing which tests were performed and their results. Protective Functions to be tested during commissioning, particularly with respect to non-Certified equipment, may consist of the following:

- (1) Over and under voltage
- (2) Over and under frequency
- (3) Anti-Islanding function (if applicable)
- (4) Non-Exporting function (if applicable)
- (5) Inability to energize dead line
- (6) Time delay on restart after utility source is stable
- (7) Utility system fault detection (if used)
- (8) Synchronizing controls (if applicable)
- (9) Other Interconnection Protective Functions that may be required as part of the Interconnection Agreement

Commissioning Test shall include visual inspections of the interconnection equipment and protective settings to confirm compliance with the interconnection requirements.

b. Other checks and tests that may need to be performed include:

- (1) Verifying final Protective Function settings
- (2) Trip test (J.5.f)
- (3) In-service tests (J.5.g)

c. Certified Equipment

Generating Facilities qualifying for Simplified Interconnection incorporate Certified Equipment that have, at a minimum, passed the Type Tests and Production Tests described in this Rule and are judged to have little or no potential impact on MVU's Distribution System. For such Generating Facilities,

it is necessary to perform only the following tests:

- (1) Protective Function settings that have been changed after Production Testing will require field verification. Tests shall be performed using injected secondary frequencies, voltages and currents, applied waveforms, at a test connection using a Generator to simulate abnormal utility voltage or frequency, or varying the set points to show that the device trips at the measured (actual) utility voltage or frequency.
- (2) The Non-Islanding function shall be checked by operating a load break disconnect switch to verify the Interconnection equipment ceases to energize MVU's Distribution System and does not re-energize it for the required time delay after the switch is closed.

- (3) The Non-Exporting function shall be checked using secondary injection techniques. This function may also be tested by adjusting the Generating Facility output and local loads to verify that the applicable Non-Exporting criteria (i.e., reverse power or underpower) are met.

The Supplemental Review or an Interconnection Study may impose additional components or additional testing.

d. Non-Certified Equipment

Non-certified Equipment shall be subjected to the appropriate tests described in Type Testing (Section J.3.) as well as those described in Certified Equipment Commissioning Tests (Section J.5.c.). With MVU's approval, these tests may be performed in the factory, in the field as part of commissioning, or a combination of both. MVU, at its discretion, may also approve a reduced set of tests for a particular Generating Facility or, for example, if it determines it has sufficient experience with the equipment.

e. Verification of Settings

At the completion of Commission testing, the Producer shall confirm all devices are set to MVU-approved settings. Verification shall be documented in the Commissioning Test Certification.

f. Trip Tests

Interconnection Protective Functions and devices (e.g. reverse power relays) that have not previously been tested as part of the Interconnection Facilities with their associated interrupting devices (e.g. contactor or circuit breaker) shall be trip tested during commissioning. The trip test shall be adequate to prove that the associated interrupting devices open when the protective devices operate. Interlocking circuits between Protective Function devices or between interrupting devices shall be similarly tested unless they are part of a system that has been tested and approved during manufacturing.

g. In-service Tests

Interconnection Protective Functions and devices that have not previously been tested as part of the Interconnection Facilities with their associated instrument transformers or that are wired in the field shall be given an in-service test during commissioning. This test will verify proper wiring, polarity, CT/PT ratios, and proper operation of the measuring circuits. The in-service test shall be made with the power system energized and carrying

a known level of current. A measurement shall be made of the magnitude and phase angle of each Alternating Current (AC) voltage and current connected to the protective device and the results compared to expected values. For protective devices with built-in Metering Functions that report current and voltage magnitudes and phase angles, or magnitudes of current, voltage, and real and reactive power, the metered values may be used for in-service testing. Otherwise, portable ammeters, voltmeters, and phase-angle meters shall be used.

6. Periodic Testing

Periodic Testing of Interconnection-related Protective Functions shall be performed as specified by the manufacturer, or at least every four years. All Periodic Tests prescribed by the manufacturer shall be performed. The Producer shall maintain Periodic Test reports or a log for inspection by MVU. Periodic Testing conforming to MVU test intervals for the particular Line Section may be specified by MVU under special circumstances, such as high fire hazard areas. Batteries used to activate any Protective Function shall be checked and logged once per month for proper voltage. Once every four years, the battery must be either replaced or a discharge test performed.

7. Type Testing Procedures Not Defined in Other Standards

This Section describes the additional Type Tests necessary to qualify a device as Certified under this Rule. These Type Tests are not contained in Underwriters Laboratories UL 1741 Standard *Inverters, Converters and Controllers for Use in Independent Power Systems*, or other referenced standards.

a. Non-Exporting Test Procedures

The Non-Exporting test is intended to verify the operation of relays, controllers and inverters designed to limit the export of power and certify the equipment as meeting the requirements of Screen 2, Options 1 and 2, of the review process. Tests are provided for discrete relay packages and for controllers and inverters with the intended Functions integrated.

(1) Discrete Reverse Power Relay Test

This version of the Non-Exporting test procedure is intended for discrete reverse power and underpower relay packages provided to meet the requirements of Options 1 and 2 of Screen 2. It should be understood that in the reverse power application, the relay will provide a trip output with power flowing in the export (toward MVU's Distribution System) direction.

Step 1: Power Flow Test at Minimum, Midpoint and Maximum Pickup Level Settings

Determine the corresponding secondary pickup current for the desired export power flow of 0.5 secondary watts (the minimum pickup setting, assumes 5 amp and 120V CT/PT secondary). Apply nominal voltage with minimum current setting at zero (0) degrees phase angle in the trip direction. Increase the current to pickup level. Observe the relay's (LCD or computer display) indication of power values. Note the indicated power level at which the relay trips. The power indication should be within 2% of the expected power. For relays with adjustable settings, repeat this test at the midpoint, and maximum settings. Repeat at phase angles of 90, 180 and 270 degrees and verify that the relay does not operate (measured watts will be zero or negative).

Step 2: Leading Power Factor Test

Apply rated voltage with a minimum pickup current setting (calculated value for system application) and apply a leading power factor load current in the non-trip direction (current lagging voltage by 135 degrees). Increase the current to relay rated current and verify that the relay does not operate. For relays with adjustable settings, this test should be repeated at the minimum, midpoint, and maximum settings.

Step 3: Minimum Power Factor Test

At nominal voltage and with the minimum pickup (or ranges) determined in Step 1, adjust the current phase angle to 84 or 276 degrees. Increase the current level to pickup (about 10 times higher than at 0 degrees) and verify that the relay operates. Repeat for phase angles of 90, 180 and 270 degrees and verify that the relay does not operate.

Step 4: Negative Sequence Voltage Test

Using the pickup settings determined in Step 1, apply rated relay voltage and current at 180 degrees from tripping direction, to simulate normal load conditions (for three-phase relays, use Ia at 180, Ib at 60 and Ic at 300 degrees). Remove phase-1 voltage and observe that the relay does not operate. Repeat for phases-2 and 3.

Step 5: Load Current Test

Using the pickup settings determined in Step 1, apply rated voltage and current at 180 degrees from the tripping direction, to simulate normal load conditions (use Ia at 180, Ib at 300 and Ic at 60 degrees). Observe that the relay does not operate.

Step 6: Unbalanced Fault Test

Using the pickup settings determined in Step 1, apply rated voltage and 2 times rated current, to simulate an unbalanced fault in the non-trip direction (use Va at 0 degrees, Vb and Vc at 180 degrees, Ia at 180 degrees, Ib at 0 degrees, and Ic at 180 degrees). Observe that the relay, especially single phase, does operate properly.

Step 7: Time Delay Settings Test

Apply Step 1 settings and set time delay to minimum setting. Adjust the current source to the appropriate level to determine operating time, and compare against calculated values. Verify that the timer stops when the relay trips. Repeat at midpoint and maximum delay settings.

Step 8: Dielectric Test

Perform the test described in IMVU 414 using 2 kV RMS for 1 minute.

Step 9: Surge Withstand Test

Perform the surge withstand test described in IEEE C37.90.1.1989 or the surge withstand capability test described in J.3.e.

(2) *Discrete Underpower Relay Test*

This version of the Non-Exporting test procedure is intended for discrete underpower relay packages and meets the requirements of Option 2 of Screen 2. A trip output will be provided when import power (toward the Producer's load) drops below the specified level.

Note: For an underpower relay, pickup is defined as the highest power level at which the relay indicates that the power is less than the set level.

Step 1: Power Flow Test at Minimum, Midpoint and Maximum Pickup Level Settings

Determine the corresponding secondary pickup current for the desired power flow pickup level of 5% of peak load minimum pickup setting. Apply rated voltage and current at 0 (zero) degrees phase angle in the direction of normal load current. Decrease the

current to pickup level. Observe the relay's (LCD or computer display) indication of power values. Note the indicated power level at which the relay trips. The power indication should be within 2% of the expected power. For relays with adjustable settings, repeat the test at the midpoint, and maximum settings. Repeat at phase angles of 90, 180 and 270 degrees and verify that the relay operates (measured watts will be zero or negative).

Step 2: Leading Power Factor Test

Using the pickup current setting determined in Step 1, apply rated voltage and rated leading power factor load current in the normal load direction (current leading voltage by 45 degrees). Decrease the current to 145% of the pickup level determined in Step 1 and verify that the relay does not operate. For relays with adjustable settings, repeat the test at the minimum, midpoint, and maximum settings.

Step 3: Minimum Power Factor Test

At nominal voltage and with the minimum pickup (or ranges) determined in Step 1, adjust the current phase angle to 84 or 276 degrees. Decrease the current level to pickup (about 10% of the value at 0 degrees) and verify that the relay operates. Repeat for phase angles 90, 180 and 270 degrees and verify that the relay operates for any current less than rated current.

Step 4: Negative Sequence Voltage Test

Using the pickup settings determined in Step 1, apply rated relay voltage and 25% of rated current in the normal load direction, to simulate light load conditions. Remove phase 1 voltage and observe that the relay does not operate. Repeat for Phases-2 and 3.

Step 5: Unbalanced Fault Test

Using the pickup settings determined in Step 1, apply rated voltage and two times rated current, to simulate an unbalanced fault in the normal load direction (use Va at 0 degrees, Vb and Vc at 180 degrees, Ia at 0 degrees, Ib at 180 degrees, and Ic at 0 degrees). Observe that the relay (especially single-phase types) operates properly.

Step 6: Time Delay Settings Test

Apply Step 1 settings and set time delay to minimum setting. Adjust the current source to the appropriate level to determine operating time, and compare against calculated values. Verify that the timer stops when the relay trips. Repeat at midpoint and maximum delay settings.

Step 7: Dielectric Test

Perform the test described in IEC 414 using 2 kV RMS for 1 minute.

Step 8: Surge Withstand Test

Perform the surge withstand test described in IEEE C37.90.1.1989 or the surge withstand test described in Section J.3.e.

(3) Tests for Inverters and Controllers with Integrated Functions

Inverters and controllers designed to provide reverse or underpower functions shall be tested to certify the intended operation of this function. Two methods are acceptable:

Method 1: If the inverter or controller utilizes external current/voltage measurement to determine the reverse or underpower condition, then the inverter or controller shall be functionally tested by application of appropriate secondary currents and potentials as described in the Discrete Reverse Power Relay Test, Section J.7.a.(1) of this Rule.

Method 2: If external secondary current or voltage signals are not used, then unit-specific tests must be conducted to verify that power cannot be exported across the PCC for a period exceeding two seconds. These may be factory tests, if the measurement and control points are integral to the unit, or they may be performed in the field.

b. In-rush Current Test Procedures

This test will determine the maximum In-rush Current drawn by the Generator.

(1) Locked-Rotor Method

Use the test procedure defined in NEMA MG-1 (manufacturer's data is acceptable if available).

(2) Start-up Method

Install and setup the Generating Facility equipment as specified by the manufacturer. Using a calibrated oscilloscope or data acquisition equipment with appropriate speed and accuracy, measure the current draw at the Point of Interconnection as the Generating Facility starts up and parallels with MVU's Distribution System. Startup shall follow the normal, manufacturer-specified procedure. Sufficient time and current resolution and accuracy shall be used to capture the maximum current draw within 5%. In-rush Current is defined as the maximum current draw from MVU during the startup process, using a 10-cycle moving average. During the test, the utility source, real or simulated, must be capable of maintaining voltage within +/- 5% of rated at the connection to the unit under test. Repeat this test five times. Report the highest 10-cycle current as the In-rush Current. A graphical representation of the time-current characteristic along with the certified In-rush Current must be included in the test report and made available to MVU.

CHART OF CHARGES AND FEES

Item	Charge
Service Initiation Charge	
Next Day, Normal Business Hours	\$15.00
Identity Verification Fee	\$5.00
Additional Charge for Same Day Turn On of Service	\$30.00

Additional Charge for Weekends and After Hours Turn On of Service	\$50.00
Deposits	
Residential Service – Single Family	Twice Average Monthly Bill, minimum \$235
Residential Service – Multit-Family	Twice Average Monthly Bill, minimum \$105
Non Residential Service	Twice Maximum Monthly Bill
Reestablishment of Credit	Twice Maximum Monthly Bill
Interest on Deposits	1/12 th of the Interest Rate on Commercial Paper (Prime, 3 Months)
Interest on Unauthorized Use Billings	10% Per Annum
Interest on Amortized Repayment Agreements	10% Per Annum
Return Check Charge	\$31.00
Field Notification Charge	\$10.00
Collection Processing Fee	\$30.00
Meter Test Deposit – (Refunded if Meter Registers within Parameters)	
Meter Installed without Current or Potential Transformer	\$20.00
Meter Installed with Current or Potential Transformer	\$100.00
Late Charge	0.9% per Month of Unpaid Balance
Utility Users Tax	5.75%
Reconnection Charge	
Meter Panel – Next Day	\$20.00
Meter Panel – Same Day During Working Hours	\$30.00
Meter Panel – Weekends and After Hours	\$50.00
Pole / Service Structure – Next Day	\$60.00
Pole / Service Structure – Same Day During Working Hours	\$75.00
Pole / Service Structure – Weekends and After Hours	\$90.00
Transformer/Structure Due to Energy Theft	\$150.00
Damaged Steel Lock-ring	\$15.00
Damaged Aluminum Lock-ring	\$ 5.00
Replaced Damaged Meter	Actual cost (time and material)

PLAN CHECKING and INSPECTION/TESTING FEES

Upon submittal of improvement plan(s) for a project's electrical distribution system, line extension facilities and/or structures for plan review, the submittal shall be accompanied with a deposit of an amount equal to 3.25% of the engineer's estimated construction costs for improvements. Prior to second submittal of improvement plans, the City Engineer will approve a final cost for improvements and a plan review fee will be established. From this final fee, the deposit will be deducted. This fee shall be paid prior to the second submittal of the improvement plan(s).

Improvement Plans

(Total cost of construction)

Off-Site & On-Site 1-3 submittals

First \$20,000.00	4.0%
Next \$80,000.00	3.5%
Over \$100,000.00	3.25%
4 th and subsequent submittals per sheet	\$248.00/sheet or as directed by City Engineer

Revisions (Improvement Plans)

Minor per sheet	\$261.00
Major per sheet (minimum fee)	\$269.00

Inspection and Testing

(Total cost of construction)

Off-Site & On- Site

First \$20,000.00	4.0%
Next \$80,000.00	3.5%
Over \$100,000.00	3.25%



Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: January 3, 2017

TITLE: PA13-0067 – 2,594 SQUARE-FOOT CUSTOM HOME AND 483 SQUARE-FOOT GARAGE. ADOPTION OF THE PROPOSED RESOLUTION FOR THE SUMMARY VACATION OF A PORTION OF LOCUST AVENUE LOCATED WEST OF QUINCY STREET. OWNER: ED HADDAD

RECOMMENDED ACTION

Recommendations:

1. Adopt Resolution No. 2017-03. A Resolution of the City Council of the City of Moreno Valley, California, Ordering the Summary Vacation of a Portion of Locust Avenue located West of Quincy Street.
2. Direct the City Clerk to certify said resolution and transmit a copy of the resolution to the County Recorder's office for recording.

SUMMARY

This report recommends adoption of the proposed resolution for the summary vacation of a portion of Locust Avenue located west of Quincy Street. The portion is located across the Assessor Parcel Number (APN) 473-401-017. The project conditions of approval for PA13-0067 require the summary vacation as part of the construction of the proposed custom home. The project site is located on the south side of Locust Avenue west of Quincy Street.

DISCUSSION

The Community Development and Economic Development Department approved this project on April 8, 2015. The project consists of a 2,594 square-foot custom home with a 483 square-foot garage located on the south side of Locust Avenue west of Quincy

Street. Currently, there is a 44-foot half-street right-of-way along this portion of Locust Avenue. The current Circulation Plan designates this portion of Locust Avenue as a “Collector” street and only requires a 33 foot half-street right-of-way. In accordance with the Circulation Plan, the conditions of approval require this project to vacate 11 feet of excess right-of-way along the project frontage.

Public utility notice letters were sent to all utility companies that may have existing utility infrastructure within the portion of the street to be vacated. As a result of the utility notice letters, the Eastern Municipal Water District (EMWD) requested that a public utility easement be reserved within this portion of Locust Avenue to accommodate the existing EMWD facilities.

The Land Development Division staff has reviewed the developer’s request for the summary vacation of said portions of excess right-of-way. Other than the EMWD’s existing facilities, no public improvements exist and no public money was expended for maintenance of said portions of excess right-of-way. These portions of right-of-way are unnecessary for present or prospective public use for road and utility purposes with the exception of EMWD facilities. The City Council’s approval to summarily vacate said portion of Locust Avenue would abandon the City’s right to said portion.

ALTERNATIVES

1. Approve and adopt the recommended actions as presented in this staff report. *Staff recommends this alternative because this portion of Locust Avenue is no longer, nor in the future will be, useful for public road and public utility easement purposes with the exception of EMWD facilities.*
2. Do not approve and adopt the recommended actions as presented in this staff report. *Staff does not recommend this alternative because this portion of Locust Avenue is no longer, nor in the future will be, useful for public road and public utility easement purposes with the exception of EMWD facilities. This would not allow the project to be completed as required and approved by the City.*

FISCAL IMPACT

No fiscal impact.

NOTIFICATION

Written notice has been given to the various utility companies. The public has been notified by publication of agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Vince Girón
Associate Engineer

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:

Michael Lloyd, P.E.
Engineering Division Manager

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

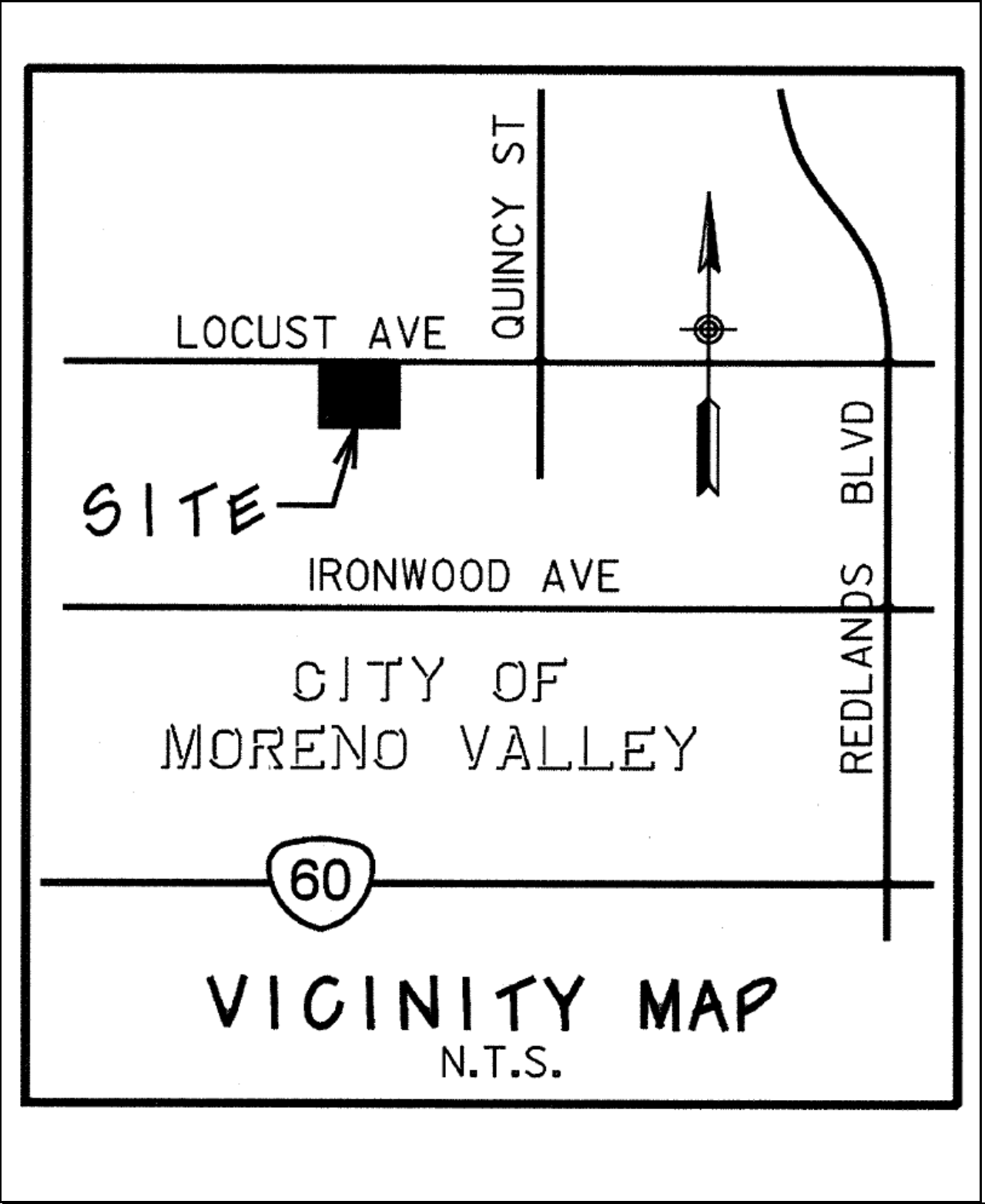
Objective 4.2: Develop and maintain a comprehensive Infrastructure Plan to invest in and deliver City infrastructure.

ATTACHMENTS

- 1. Vicinity Map - PA13-0067
- 2. Resolution 2017-03 - PA13-0067 - Locust Ave Summary Vacation

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/14/16 7:54 AM
City Attorney Approval	<u>✓ Approved</u>	12/13/16 1:17 PM
City Manager Approval	<u>✓ Approved</u>	12/19/16 3:02 PM



CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT

PA13-0067

Attachment: Vicinity Map - PA13-0067 (2351 : PA13-0067 ? ED HADDAD, 2594 SQUARE-FOOT CUSTOM HOME AND 483 SQUARE-FOOT

RESOLUTION NO. 2017-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ORDERING THE SUMMARY VACATION OF A PORTION OF LOCUST AVENUE LOCATED WEST OF QUINCY STREET

WHEREAS, the City Council of the City of Moreno Valley, California, acquired an easement for road and public utility purposes located on the south side of Locust Avenue west of Quincy Street along assessor parcel number 473-401-017; and

WHEREAS, this easement is no longer, nor in the future will be, useful for road and public utility easement purposes with the exception of Eastern Municipal Water District facilities; and

WHEREAS, no public road improvements exist on said portion of Locust Avenue; and

WHEREAS, no public money was expended for maintenance of right-of-way.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1

That pursuant to the provisions of Chapter 4, Part 3, of Division 9 of the Streets and Highways Code of the State of California, designated the "Public Streets, Highways and Service Easements Vacation Law," the following described portion of right-of-way is summarily vacated and abandoned:

That said portion of Locust Avenue shown in the attached legal description and illustrated on the plat, attached hereto and made a part hereof, marked Exhibits "A" and "B", respectively.

Excepting and reserving, from the vacation any easement and fee right-of-way for existing public utilities and public service facilities, together with the right to maintain, operate, replace, remove or renew such facilities, pursuant to Section 8340 of the Streets and Highway Code, as requested by the Eastern Municipal Water District (EMWD).

Section 2

That pursuant to the provisions of Sections 831 of Title 3 and 1112 of Title 4, Part 2, Division 2 of the California Civil Code of the State of California, title to the above-described portion of Locust Avenue revert to the owners of the underlying fee thereof, free from use as an easement for street and utility purposes except as noted in Section 1.

Section 3

That the City Clerk if the City of Moreno Valley, California, shall cause a certified copy of this Resolution to be recorded in the office of the Recorder for the County of Riverside, California.

APPROVED AND ADOPTED this 3rd day of January 2017.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

RESOLUTION JURAT

STATE OF CALIFORNIA)

COUNTY OF RIVERSIDE) ss.

CITY OF MORENO VALLEY)

I, Marie Macias, Interim City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2017-03 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 3rd day of January, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

EXHIBIT "A"

Legal Description (Before Vacation):

Real property in the City of Riverside, County of Riverside, State of California, described as follows:

THE EAST ONE-HALF (E 1/2) OF THE WEST 240 FEET OF THE EAST 810 FEET OF THE NORTH 141.70 FEET OF LOT 1 OF A RESUBDIVISION OF A PORTION OF BUTTERFIELD STAGE ESTATES, UNIT NO. 1, AS SHOWN BY MAP ON FILE IN BOOK 31 PAGES 86 AND 87 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, THE EASTERLY 240 FEET BEING MEASURED AT RIGHT ANGLES FROM THE EASTERLY LINE OF SAID LOT 1, AND THE NORTHERLY 141.70 FEET BEING MEASURED AT RIGHT ANGLES FROM THE NORTHERLY LINE OF SAID LOT 1.

CONTAINS 0.38 ACRES

APN: 473-401-017-1

Prepared by me or under my supervision:

GOODMAN & ASSOCIATES



D. Goodman

Douglas L. Goodman

RCE 28500

10/21/16

Date

City ID #5217
PA13-0067

EXHIBIT "A"

Legal Description (After Vacation):

Real property in the City of Riverside, County of Riverside, State of California, described as follows:

THE EAST ONE-HALF (E 1/2) OF THE WEST 240 FEET OF THE EAST 810 FEET OF THE NORTH 148.70 FEET OF LOT 1 OF A RESUBDIVISION OF A PORTION OF BUTTERFIELD STAGE ESTATES, UNIT NO. 1, AS SHOWN BY MAP ON FILE IN BOOK 31 PAGES 86 AND 87 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, THE EASTERLY 240 FEET BEING MEASURED AT RIGHT ANGLES FROM THE EASTERLY LINE OF SAID LOT 1, AND THE NORTHERLY 148.70 FEET BEING MEASURED AT RIGHT ANGLES FROM THE NORTHERLY LINE OF SAID LOT 1.

CONTAINS 0.41 ACRES

APN: 473-401-017-1

Prepared by me or under my supervision:

GOODMAN & ASSOCIATES



D. L. Goodman

Douglas L. Goodman

RCE 28500

10/21/16

Date

City ID #5217
PA13-0067

Attachment: Resolution 2017-03 - PA13-0067 - Locust Ave Summary Vacation [Revision 1] (2351 : PA13-0067 ? ED HADDAD, 2594 SQUARE-

EXHIBIT "A"

Street Vacation Legal Description:

Real property in the City of Riverside, County of Riverside, State of California, described as follows:

THE NORTHERLY 11.00 FEET OF THE FOLLOWING DESCRIBED PROPERTY.

THE EAST ONE-HALF (E 1/2) OF THE WEST 240 FEET OF THE EAST 810 FEET OF THE NORTH 141.70 FEET OF LOT 1 OF A RESUBDIVISION OF A PORTION OF BUTTERFIELD STAGE ESTATES, UNIT NO. 1, AS SHOWN BY MAP ON FILE IN BOOK 31 PAGES 86 AND 87 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, THE EASTERLY 240 FEET BEING MEASURED AT RIGHT ANGLES FROM THE EASTERLY LINE OF SAID LOT 1, AND THE NORTHERLY 141.70 FEET BEING MEASURED AT RIGHT ANGLES FROM THE NORTHERLY LINE OF SAID LOT 1.

CONTAINS 0.03 ACRES

APN: 473-401-017-1

Prepared by me or under my supervision:

GOODMAN & ASSOCIATES



D. L. Goodman

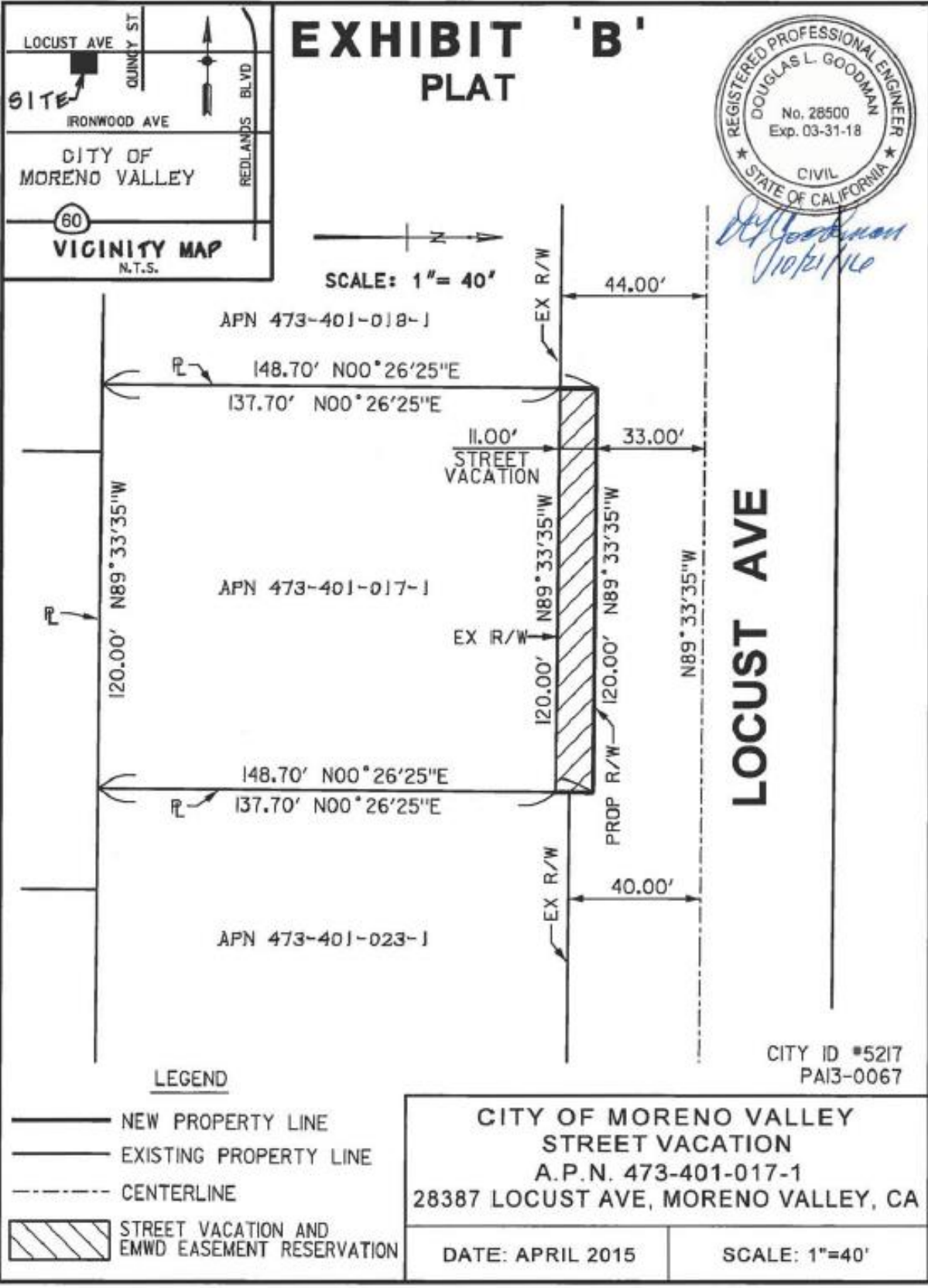
Douglas L. Goodman

RCE 28500

10/21/16

Date

City ID #5217
PA13-0067



Attachment: Resolution 2017-03 - PA13-0067 - Locust Ave Summary Vacation [Revision 1] (2351 : PA13-0067 ? ED HADDAD, 2594 SQUARE-



Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: January 3, 2017

TITLE: PA13-0063 – MODULAR LOGISTICS CENTER - ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS AT THE NORTHEAST CORNER OF PERRIS BOULEVARD AND MODULAR WAY
DEVELOPER: 17350 PERRIS BOULEVARD LLC

RECOMMENDED ACTION

Recommendations:

1. Accept the Agreement and Security for Public Improvements for 17350 Perris Boulevard LLC.
2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

SUMMARY

This report recommends approval of the agreement by the City of Moreno Valley and 17350 Perris Boulevard LLC to construct the required public improvements that are associated with the project located on the northeast corner of Perris Boulevard and Modular Way. The project is funded by 17350 Perris Boulevard LLC.

DISCUSSION

On April 23, 2015, the Planning Commission of the City of Moreno Valley approved project PA13-0063. The developer proposes to develop a 1,109,378 square-foot warehouse distribution facility. This project is located on the northeast corner of Perris Boulevard and Modular Way.

17350 Perris Boulevard LLC, the developer of this project, has completed an Agreement for Public Improvements. The developer agrees to perform and complete all of the required public improvements within twenty-four (24) months of the date the agreement is executed. The public improvements include, but are not limited to: asphalt pavement, curb, gutter, sidewalk, driveway approaches, street lights, landscaping, and storm drain. The public improvements are to be constructed along Edwin Road, Kitching Street, Modular Way, and Perris Boulevard. The City Engineer may execute any future amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

The Conditions of Approval for this project require that the developer provide surety for the required improvements. Accompanying the agreement is a Faithful Performance Bond in the amount of \$1,191,000 and a Material and Labor Bond in the amount of \$595,500 issued by International Fidelity Insurance Company.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *Staff recommends this alternative to allow the project to move forward with development and construction of public improvements.*
2. Do not approve and authorize the recommended actions as presented in this staff report. *Staff does not recommend this alternative since it will not allow the project to move forward with development and construction of public improvements.*

FISCAL IMPACT

No fiscal impact is anticipated.

NOTIFICATION

Publication of agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Hoang Nguyen, P.E.
Associate Engineer

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Michael Lloyd, P.E.
Engineering Division Manager

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

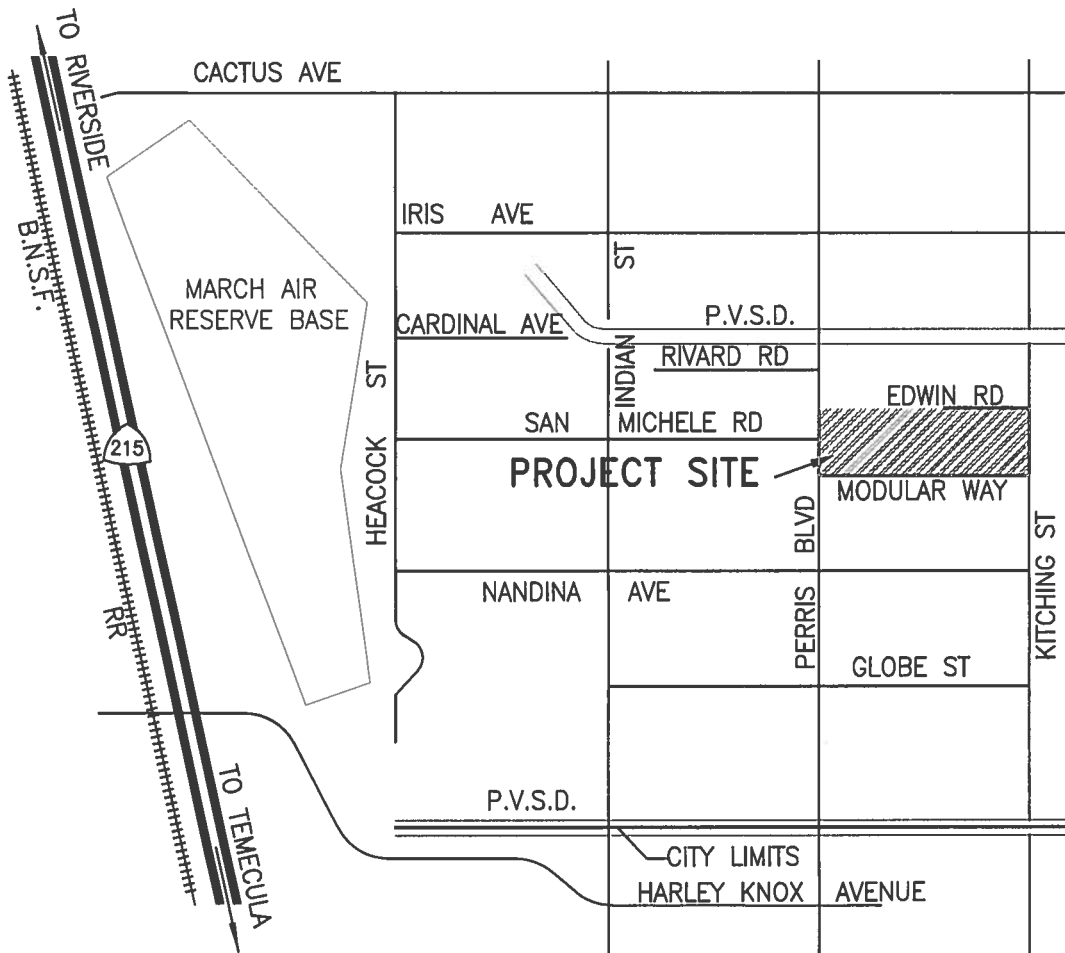
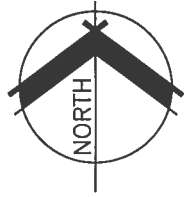
Objective 4.2: Develop and maintain a comprehensive Infrastructure Plan to invest in and deliver City infrastructure.

ATTACHMENTS

- 1. Vicinity Map - PA13-0063
- 2. Agreement for Public Improvements - PA13-0063
- 3. Faithful Performance Bond - PA13-0063
- 4. Material & Labor Bond - PA13-0063

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/14/16 7:55 AM
City Attorney Approval	<u>✓ Approved</u>	12/13/16 1:15 PM
City Manager Approval	<u>✓ Approved</u>	12/19/16 3:01 PM



**AGREEMENT FOR PUBLIC IMPROVEMENTS
FOR
PROJECT NO. PA13-0063**

This Agreement made and entered into by and between the City of Moreno Valley, State of California, hereinafter called City, and 17350 Perris Boulevard LLC, herein after called Developer, on the date the City signs this agreement.

WITNESSETH:

FIRST: Developer, for and in consideration of the approval by the City of the final map of that certain land division, or that certain other land development project, known as PA13-0063 agrees, at Developer's own expense, to furnish all labor, equipment and material necessary, and within TWENTY-FOUR (24) months from the date this Agreement is executed, to perform and complete in a good and workmanlike manner, all of the required improvements in accordance with those improvement plans for said project which have been approved by the City Engineer, and are on file in the office of the City Engineer, and to do all work incidental thereto in accordance with the standards set forth in City ordinances and regulations, and pay all costs of engineering necessary in connection therewith, which are expressly made a part of this Agreement. All of the above-required work shall be done under the inspection of and to the satisfaction of the City Engineer, and shall not be deemed complete until approved and accepted as complete by the City. Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Developer shall complete the improvements described in this paragraph pursuant to Section 66462, Government Code. Developer shall also complete any offsite improvements required as a condition of approval and with plans approved by the City Engineer at such time as the City acquires an interest in the land which will permit the improvements to be made, and the Developer waives the 120 day time limitation set forth in Section 66462.5, Government Code.

Security to guarantee the performance of this agreement shall be in the following amounts:

Faithful Performance security shall be in the sum of ONE MILLION ONE HUNDRED NINETY ONE THOUSAND AND NO/100 Dollars (***\$1,191,000.00***). The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A attached hereto.

Labor and Material security shall be in the sum of FIVE HUNDRED NINETY FIVE THOUSAND FIVE HUNDRED AND NO/100 Dollars (***\$595,500.00***). The estimated cost securing payment of labor and materials is fifty (50) percent of the total cost estimate of the improvements.

Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Upon entering the warranty period, the City shall retain ten percent of the original faithful performance security. Developer reserves the right to substitute the form of security, in accordance with the Moreno Valley Municipal Code, at any time during the term of this agreement, subject to approval of the City Engineer and City Attorney.

SECOND: Developer agrees to file with City, prior to the date this Agreement is executed, a good and sufficient improvement security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this Agreement, and good and sufficient security for payment of labor and materials in the amount prescribed by City ordinances and regulations to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California. Developer agrees to renew each and every said bond or bonds with good and sufficient sureties or increase the amounts of said bond or bonds, or both, within ten (10) days after being notified by the City Engineer that the sureties or amounts are insufficient. Notwithstanding any other provision herein, if Developer fails to take such action as is

**AGREEMENT FOR PROJECT NO. PA13-0063
PUBLIC IMPROVEMENTS**

necessary to comply with said notice, he shall be in default of this Agreement unless all required improvements are completed within ninety (90) days of the date on which the City Engineer notified the Developer of the insufficiency of said bonds. Developer reserves the right to substitute the form of security in accordance with the City's Municipal Code at any time during the term of this agreement, subject to approval by the City Engineer and City Attorney.

THIRD: Developer agrees to pay to the City the actual cost of such inspection of the works and improvements as may be required by the City Engineer. Developer further agrees that, if suit is brought upon this Agreement or any bond guaranteeing the completion of the required improvements, all costs and reasonable expenses and fees incurred by the City in successfully enforcing such obligations shall be paid by Developer and guaranteed by the surety in addition to the face amount of the security, including reasonable attorney's fees, and that, upon entry of judgment, such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

FOURTH: To the furthest extent allowed by law, including California Civil Code Section 2782, Developer shall indemnify, hold harmless and defend City and each of its officers, officials, employees and agents from any and all claims, losses, liabilities, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including, but not limited to personal injury, death at any time and/or property damage) incurred by City or any other Person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of the performance of this Agreement, including but not limited to the alleged acts or omissions of any contractor, subcontractor, employee or agent acting on behalf of Developer or the design of any improvements to be constructed pursuant to this Agreement or the use of any patent or patented article in the performance of this Agreement.

Developer's obligations to indemnify and hold City harmless shall apply in all instances except those claims caused by the active negligence, sole negligence, or willful misconduct of City or any of its officers, officials, employees or agents. Developer's obligations to defend the City and provide a legal defense (including the retention of attorneys acceptable to City and all legal costs and expenses) shall apply in all instances, except those claims arising out of the sole negligence or the willful misconduct of City or any of its officers, officials, employees or agents.

If Developer retains any contractor or subcontractor to perform any of the Work to be performed under this Agreement, Developer shall require each contractor or subcontractor to indemnify, hold harmless and defend City and each of its officers, officials, employees and agents in accordance with the terms of the preceding paragraphs.

Developer's obligations under his section shall survive the completion of any work to be performed by Developer, the City's inspection and/or acceptance of any work performed by Developer, as well as the termination or expiration of this Agreement.

Developer's provision of insurance, as required below, does not terminate, alter, limit or satisfy Developer's defense and indemnity obligations provided for herein.

FIFTH: Throughout the life of the Agreement, Developer shall pay for and maintain in full force and effect all policies of insurance required hereunder with an insurance company (ies) either (I) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A-VII" in Best's Insurance Rating Guide, or (ii) as authorized by the City Manager or his/her designee. The following policies of insurance are required:

(i) COMMERCIAL GENERAL LIABILITY insurance which shall be at least as broad as the most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01 and include insurance for "bodily injury," "property damage" and "personal and advertising injury" with

**AGREEMENT FOR PROJECT NO. PA13-0063
PUBLIC IMPROVEMENTS**

coverage for premises and operations (including the use of owned and non-owned equipment), products and completed operations, and contractual liability (including, without limitation, indemnity obligations under the Contract) with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage, \$1,000,000 per occurrence for personal and advertising injury, \$2,000,000 aggregate for products and completed operations and \$2,000,000 general aggregate.

(ii) **COMMERCIAL AUTOMOBILE LIABILITY** insurance which shall be at least as broad as the most current version of Insurance Services Office (ISO) form CA 00 01 and shall include coverage for "any auto" with limits of liability of not less than \$1,000,000 per accident for bodily and property damage. Commercial Automobile Liability coverage is required if automobiles are to be operated on city-owned property or within City right-of-way.

(iii) **WORKERS' COMPENSATION** insurance as required under the California Labor Code.

Developer shall be responsible for payment of any deductibles or self-insured retentions contained in any insurance policies required hereunder.

All policies of insurance required hereunder shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after thirty (30) calendar day written notice by certified mail, return receipt requested, has been given to the City. Upon issuance by the insurer, broker or agent of a notice of cancellation, non-renewal or reduction in coverage or limits, Developer shall furnish City with a new certificate and applicable endorsements for such policy(ies). In the event any policy(ies) is due to expire before the completion of the work, Developer shall provide a new certificate and all applicable endorsements evidencing renewal of such policy(ies) not less than 15 calendar days prior to the expiration date of the expiring policy(ies).

The General Liability and Automobile Liability insurance policies shall be written on an occurrence form and endorsed to name the City and its officers, officials, employees and agents as additional insured's. Such policy(ies) of insurance shall be endorsed so Developer's insurance shall be primary and no contribution shall be required of City. Any Workers' Compensation insurance policy shall contain a waiver of subrogation as to City, its officers, officials, employees and agents. Developer shall furnish City with the certificate(s) and applicable endorsements for all required insurance fourteen (14) days prior to the start of work. NOTE: A Certificate of Insurance is not acceptable. The Certificate of Insurance must be accompanied by the additional insured and primary insurance endorsements.

If Developer retains any contractor or subcontractor to perform any of the Work to be performed under this Agreement, Developer shall require each contractor or subcontractor to provide insurance protection in favor of City, its officers, officials, employees and agents in accordance with the terms of the Agreement. Any contractor or subcontractor performing work on behalf of Developer shall likewise be required to name City its officers, officials, employees and agents as additional insured's as required herein. Developer shall obtain certificates and endorsements from such contractors or subcontractors before the commencement of any work.

At any time during the Agreement, upon request of City, Developer shall immediately furnish City with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy.

If at any time Developer fails to maintain the required insurance in full force and effect, all work permitted thereunder shall be discontinued immediately until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure by Developer to provide or maintain the required insurance shall be considered a material breach of the Agreement.

**AGREEMENT FOR PROJECT NO. PA13-0063
PUBLIC IMPROVEMENTS**

The fact that insurance is obtained by Developer shall not be deemed to release or diminish its liability, including but not limited to, liability under the indemnity provisions on this Agreement. Developer's duty to defend and indemnify City shall apply to all claims and liabilities, regardless of whether any insurance policies are applicable. The policy limits stated herein do not act as a limitation upon the amount of indemnification required to be provided by Developer.

SIXTH The Developer hereby grants to the City and/or to any authorized agent or employee of the City, the irrevocable permission to enter upon the lands of the above-referenced land division for the purpose of completing the improvements. This permission shall terminate in the event that the Developer has completed the work within the time specified or any extension thereof granted by the City.

SEVENTH: Developer agrees at all times, up to the completion and acceptance of the improvements by the City, to give good and adequate warning to the traveling public of each and every dangerous condition caused by the construction of the improvements, and to protect the traveling public from such defective or dangerous conditions. The Developer shall keep all traveled ways that are a part of, or affected by the construction of this project free and clear of mud, dirt and debris and shall provide twice monthly street sweeping service. A copy of the contract for street sweeping service shall be provided to the City. The Developer's obligation under this provision shall be secured by the bonds securing performance of this Agreement.

EIGHTH: The Developer, his agents and employees, shall give notice to the City Engineer at least 48 hours before beginning any work and shall furnish said City Engineer all reasonable facilities for obtaining full information with respect to the progress and manner of work.

NINETH: If the Developer, or his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time as have been granted by the City, or if the Developer violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this Agreement and notice in writing of such default shall be served upon him. The City Council shall have the power, on recommendation by the City Engineer, to terminate all rights of the Developer because of such default. The determination by the City Engineer of the question as to whether any of the terms of the Agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Developer, and any and all parties who may have any interest in the Agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to the City under law.

TENTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds securing this Agreement that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this Agreement, extensions of time **may** be granted by the City from time to time, either at its own option, or upon request of Developer, and such extensions shall in no way affect the validity of this Agreement or release the surety or sureties on said bonds, Developer further agrees to maintain the aforesaid bonds in full force and effect during the terms of this Agreement, including any extensions of time as may be granted therein.

ELEVENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

TWELFTH: In the event legal action is required to enforce the terms of the Agreement, the prevailing party shall be entitled to recover attorney's fees and costs, including expert fees.

AGREEMENT FOR PROJECT NO. PA13-0063
PUBLIC IMPROVEMENTS

THIRTEENTH: Any notice or notices required or permitted to be given pursuant to this Agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

City:
City Engineer
P.O. Box 88005
14177 Frederick Street
Moreno Valley, CA 92552-0805

Developer:
17350 Perris Boulevard LLC
100 Bayview Circle
Suite 310
Newport Beach, CA 92660

IN WITNESS WHEREOF Developer has affixed his name, address and seal.

Date approved by the City: _____

17350 Perris Boulevard LLC:

Developer

By: _____



Signature

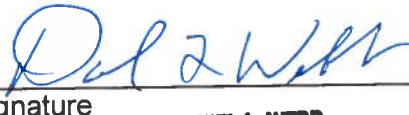
MICHAEL J. CUSHING
President & CEO

Print/Type Name

PRES / CEO

Title

By: _____



Signature

DANIEL L. WEBB
Vice President

Print/Type Name

Title

**ATTEST:
CITY CLERK
OF THE CITY OF MORENO VALLEY**

By: _____
City Clerk

(SEAL)

CITY OF MORENO VALLEY

By: _____
Mayor

**APPROVED AS TO FORM:
CITY ATTORNEY**

Date: 12-6-16

By: _____
City Attorney

NOTE: TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS UNLESS CORPORATE DOCUMENTS ARE PROVIDED THAT INDICATE OTHERWISE.

SIGNATURES OF DEVELOPER MUST BE EXECUTED IN QUADRUPPLICATE AND THE EXECUTION OF THE ORIGINAL COPY MUST BE ACKNOWLEDGED BEFORE A NOTARY
ORIGINAL - CITY CLERK; PINK - DEVELOPER; GREEN - SURETY; BLUE - PROJECT FILE


A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

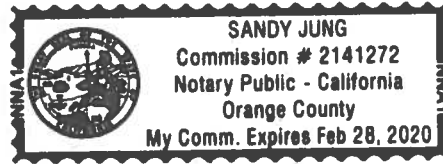
On November 7, 2016, before me, Sandy Jung, a Notary Public, personally appeared Daniel L. Webb and Michael J. Cushing, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Public



HMN

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 1 of 8

PROJECT: 0
0
0

DATE: 01/00/00
PREPARED BY: 0

PUBLIC PAVEMENT SECTIONS

TYPE			QUANTITY UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF					
Roadway Excavation			2740 C.Y.	29.00	79,460
A.B. Class II - Street 1	1.17	Thickness (ft.)			
	62830	S.F.	5329 Ton	33.00	175,857
A.C. - Street 1	0.54	Thickness (ft.)			
	62830	S.F.	2459 Ton	80.00	196,720
Roadway Excavation			0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)			
	0	S.F.	0 Ton	33.00	0
A.C. - Street 2	0	Thickness (ft.)			
	0	S.F.	0 Ton	80.00	0
Roadway Excavation			0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)			
	0	S.F.	0 Ton	33.00	0
A.C. - Street 3	0	Thickness (ft.)			
	0	S.F.	0 Ton	80.00	0
Roadway Excavation			0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)			
	0	S.F.	0 Ton	33.00	0
A.C. - Street 4	0	Thickness (ft.)			
	0	S.F.	0 Ton	80.00	0
Street Work - DIF					
Roadway Excavation			0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)			
	0	S.F.	0 Ton	33.00	0
A.C. - Street 1	0	Thickness (ft.)			
	0	S.F.	0 Ton	80.00	0
Roadway Excavation			0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)			
	0	S.F.	0 Ton	33.00	0
A.C. - Street 2	0	Thickness (ft.)			
	0	S.F.	0 Ton	80.00	0
Roadway Excavation			0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)			
	0	S.F.	0 Ton	33.00	0
A.C. - Street 3	0	Thickness (ft.)			
	0	S.F.	0 Ton	80.00	0
Roadway Excavation			0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)			
	0	S.F.	0 Ton	33.00	0
A.C. - Street 4	0	Thickness (ft.)			
	0	S.F.	0 Ton	80.00	0
Street Work - TUMF					
Roadway Excavation			0 C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)			
	0	S.F.	0 Ton	33.00	0
A.C. - Street 1	0	Thickness (ft.)			
	0	S.F.	0 Ton	80.00	0
Roadway Excavation			0 C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)			
	0	S.F.	0 Ton	33.00	0
A.C. - Street 2	0	Thickness (ft.)			
	0	S.F.	0 Ton	80.00	0
Roadway Excavation			0 C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)			
	0	S.F.	0 Ton	33.00	0
A.C. - Street 3	0	Thickness (ft.)			
	0	S.F.	0 Ton	80.00	0
Roadway Excavation			0 C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)			
	0	S.F.	0 Ton	33.00	0
A.C. - Street 4	0	Thickness (ft.)			
	0	S.F.	0 Ton	80.00	0
				SUBTOTAL:	452,037

HMN

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 2 of 8

PROJECT:	0	DATE:	01/00/00
	0	PREPARED BY:	0
	0		
		PUBLIC STREET WORK	

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
<i>Pavement</i>				
Grind & Pave 0.15'	28500	S.F.	3.25	92,625
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	0	S.Y.	2.25	0
Paving Fabric	0	S.Y.	1.20	0
Sawcut	2230	L.F.	3.00	6,690
Utility Trench	1060	L.F.	17.00	18,020
Trench Repaving	0	S.F.	12.00	0
Redwood Header	0	L.F.	6.00	0
A.C. Berm - 6"	0	L.F.	10.00	0
A.C. Berm - 8"	0	L.F.	15.00	0
Adjust M.H. to Grade	0	EA.	800.00	0
Adjust Water Valve to Grade	0	EA.	400.00	0
Remove & Dispose Existing Pavement & Base	9720	SF	3.00	29,160
Remove Existing Curb & Gutter	710	L.F.	12.00	8,520
 <i>Concrete</i>				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	0	L.F.	25.00	0
Curb and Gutter - 8"	2020	L.F.	30.00	60,600
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	0	L.F.	12.00	0
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	2520	S.F.	10.25	25,830
Sidewalk	15120	S.F.	4.25	64,260
Sidewalk (DIF Street Name)	0	S.F.	7.00	0
Sidewalk (TUMF Street Name)	0	S.F.	7.00	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	0	S.F.	6.50	0
Driveway Approach - 8"	9530	S.F.	10.50	100,065
Wheelchair Ramp	2	EA.	2,600.00	5,200
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	1	EA.	15,000.00	15,000
 <i>Miscellaneous</i>				
Relocate Power Poles	0	EA.	30,000.00	0
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Erosion Control	0	AC	5,000.00	0
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
Reinforced P.C.C. Retaining Walls	0	C.Y.	780.00	0
				0
			SUBTOTAL	425,970
 Traffic Improvements (Plan Checked by Trans. Eng'rg.staff/Inspected by LDD staff)				
Traffic Striping/raised pavement markers	1	L.S.	-	9,304
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	-	0
Street Name Sign	0	EA.	500.00	0
Stop Sign	0	EA.	200.00	0
Signs and Posts	6	EA.	200.00	1,200
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	10	EA.	200.00	2,000
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	10000	0
Traffic Control (DIF Street Name)	0	L.S.	10000	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
			SUBTOTAL:	12,504

HMN

Bondable Street Work Only (not plan checked)
Undergrounding of Utilities
Cluster Mail Boxes
Relocate Mailbox
Relocate Cluster Mailbox
Monuments
Relocate Trees

0 L.F.	203.00	0
0 EA.	4,500.00	0
0 EA.	350.00	0
0 EA.	1,200.00	0
0 EA.	300.00	0
0 EA.	2,500.00	0
SUBTOTAL:		0

HMN

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: 0
0
0
DATE: 01/00/00
PREPARED BY: 0
PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
Street Lights (9500 lumen)	0	EA.	5,000.00	0
Street Lights (22000 lumen)	11	EA.	6,000.00	66,000
SPECIAL DISTRICTS SUBTOTAL:				66,000
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	0.00	0
MVU SUBTOTAL:				0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA.	0	0
Access Ramp PCC	0	S.F.	0	0
Low-Flow Pipe System	0	L.F.	0	0
Headwalls	0	EA.	0	0
Outlets	0	EA.	0	0
Risers	0	EA.	0	0
Forebay PCC	0	S.F.	0	0
Toe of slope protection PCC	0	S.F.	20.00	0
WQB SUBTOTAL:				0
Transportation Engineering				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordination)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	0	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
TRANSPORTATION SUBTOTAL:				0

HMN

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: 0
0
0
PUBLIC STORM DRAIN SYSTEM

DATE: 01/00/00
PREPARED BY: 0

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	50	L.F.	160.00	8,000
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	180.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	0	EA.	5000.00	0
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	1	EA.	5500.00	5,500
Catch Basin (10')	0	EA.	6000.00	0
Catch Basin (14')	0	EA.	8000.00	0
Catch Basin (21')	0	EA.	12500.00	0
Local Depressions	1	EA.	535.00	535
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (10') (DIF Street Name)	0	EA.	6000.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0

Headwall

0 EA.

5500.00

0

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EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT: 0
0
0

DATE: 01/00/00
PREPARED BY: 0
PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	1	EA.	6500.00	6,500
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	0	EA.	3000.00	0
Headwall	0	EA.	5500.00	0
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	0	S.F.	10.00	0
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	0	EA.	600.00	0
Curb Outlet	0	EA.	250.00	0
"V" Gutter	0	S.F.	10.00	0
	0		0	0
Miscellaneous				
Rip Rap	0	TON	60.00	15
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15000	0
			SUBTOTAL:	20,550

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EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 6 of 8

DATE: 01/00/00
PREPARED BY: 0

PROJECT: 0
0
0

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	0	L.F.	35.00	0
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	20	L.F.	60.00	1,200
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
3" PVC C-900	34	L.F.	20	680
Valves - Water System				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	0	EA.	1,340.00	0
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	2	EA.	2,300.00	4,600
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	0	EA.	2,400.00	0
2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	0	EA.	4,300.00	0
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	0	EA.	4,000.00	0
2" Backflow Device	0	EA.	200.00	0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	0	EA.	4,000.00	0
6" Super Fire Hydrants	0	EA.	4,500.00	0
	0		0.00	0
Services Connections				
1" Service	0	EA.	800.00	0
1" Service w/ 5/8" Service	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	1	EA.	1,600.00	1,600
10" Double Check Detector Assembly	0	EA.	5,000.00	0
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	0		200.00	0
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	0		750.00	0
	0		0.00	0
Water Meters - Water System				
5/8" Meter	0		230.00	0
1" Meter	0		320.00	0
1 1/2" Meter	0		420.00	0
2" Meter	0		525.00	0
	0		0.00	0
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	0	EA.	2,200.00	0
12" Hot Tap	2	EA.	3,150.00	6,300
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	0	EA.	330.00	0

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2" Hot Tap	1	850.00	850
Miscellaneous - Water System			
Thrust Block	0 CY	150.00	0
Jack & Bore	0 L.F.	300.00	0
Joint at Existing 8"	0 EA.	650.00	0
Adjust Water Meter Box to Grade	0 EA.	235.00	0
	0 EA.	0.00	0
		SUBTOTAL:	15,230

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EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 7 of 8

DATE: 01/00/00
PREPARED BY: 0

PROJECT: 0
0
0

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	0	L.F.	25.00	0
6" V.C. Pipe	0	L.F.	40.00	0
8" V.C. Pipe	0	L.F.	55.00	0
10" V.C. Pipe	0	L.F.	60.00	0
12" V.C. Pipe	0	L.F.	70.00	0
15" V.C. Pipe	0	L.F.	80.00	0
18" V.C. Pipe	0	L.F.	160.00	0
21" V.C. Pipe	0	L.F.	180.00	0
24" V.C. Pipe	0	L.F.	195.00	0
27" V.C. Pipe	0	L.F.	215.00	0
30" V.C. Pipe	0	L.F.	235.00	0
33" V.C. Pipe	0	L.F.	280.00	0
36" V.C. Pipe	0	L.F.	300.00	0
4" SDR - 35	0	L.F.	25.00	0
6" SDR - 35	0	L.F.	30.00	0
8" SDR - 35	0	L.F.	35.00	0
10" SDR - 35	0	L.F.	45.00	0
12" SDR - 35	0	L.F.	54.00	0
15" SDR - 35	0	L.F.	90.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	0	EA.	730.00	0
Clean Out Lateral	0	EA.	200.00	0
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	0	EA.	3,140.00	0
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie Into Existing Manhole	0	EA.	2,100.00	0
Rechannell Existing Manhole	0	EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	0	EA.	2,000.00	0
Pavement around MH	0	S.F.	14.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	0	EA.	90.00	0
TV Sewer	0	L.F.	1.20	0
Trench Paving	0	S.F.	5.00	0
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	0

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 8 of 8

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: 0
0
0

DATE: 01/00/00
PREPARED BY: 0

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	\$452,037
OFFSITE STREET WORK	\$425,970
SPECIAL DISTRICTS	\$66,000
MORENO VALLEY UTILITIES	\$0
WATER QUALITY BASIN	\$0
TRANSPORTATION ENGINEERING	\$20,550
STORM DRAIN SYSTEM	\$15,230
WATER SYSTEM	\$0
SEWER SYSTEM	\$12,504
TRAFFIC IMPROVEMENTS	\$0
BONDABLE WORK (not plan checked)	
TOTAL COST (VALUE) OF IMPROVEMENTS:	\$992,291
+20% CONTINGENCY:	\$198,458
<u>GRAND TOTAL:</u>	\$1,190,749

\$1,191,000

BOND AMOUNT:



HMN
10-25-16

FAITHFUL PERFORMANCE BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)

Public Improvements \$1,191,000

Project No. PA13-0063

Bond No. 0705664

Premium \$11,315.00 / Annual

Surety International Fidelity Insurance Company

Principal 17350 Perris Boulevard LLC

Address 2400 East Katella Ave., Suite 250

Address 100 Bayview Circle, Suite 310

City/Zip Anaheim, CA92806

City/Zip Newport Beach, CA 92660

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and 17350 PERRIS BOULEVARD LLC, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA13-0063, which agreement is hereby referred to and made a part hereof; and,

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and International Fidelity Insurance Company, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of ONE MILLION ONE HUNDRED NINETY ONE THOUSAND AND NO/100 Dollars (**\$1,191,000.00**), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As part of the obligation secured hereby, and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.


FAITHFUL PERFORMANCE BOND (Page 2 of 2)
PROJECT NO. PA13-0063

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to Surety's obligations hereunder and are hereby waived by Surety.

When the work covered by the agreement is complete, the City Council of the City of Moreno Valley will accept the work and thereupon the amount of the obligation of this bond is reduced by 90%, with the remaining 10% held as security for the one-year maintenance period provided for in the agreement(s).

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named on October 31, 2016.

NAME OF PRINCIPAL: 17350 Perris Boulevard LLC
Company Name

AUTHORIZED SIGNATURE(S): By  DANIEL L. WEBB
Vice President
Name _____ Title _____
Name _____ Title PRES/CEO

NAME OF SURETY: International Fidelity Insurance Company
Company Name

AUTHORIZED SIGNATURE: 
Nathan Varnold ITS ATTORNEY-IN-FACT

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY – ATTACH POWER OF ATTORNEY

Approved as to form:

Date: 12-6-16


City Attorney
City of Moreno Valley

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

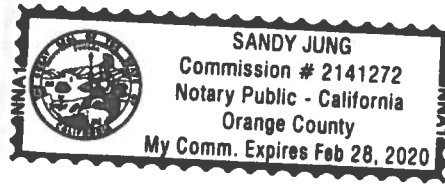
On November 8, 2016, before me, Sandy Jung, a Notary Public, personally appeared Daniel L. Webb and Michael J. Cushing, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Public



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

OCT 3 1 2016

On _____ before me, D. Casillas, Notary Public, personally appeared Nathan Varnold who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature *D. Casillas*
Signature of Notary Public

INTERNATIONAL FIDELITY INSURANCE COMPANY
ALLEGHENY CASUALTY COMPANY

ONE NEWARK CENTER, 20TH FLOOR NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing under the laws of the State of New Jersey, and ALLEGHENY CASUALTY COMPANY a corporation organized and existing under the laws of the State of New Jersey, having their principal office in the City of Newark, New Jersey, do hereby constitute and appoint

JAMES ROSS, TRACY ASTON, EDWARD C. SPECTOR, SIMONE GERHARD, DARAVY MADY, LISA K. CRAIL, NATHAN VARNOLD, TOM BRANIGAN, PAUL RODRIGUEZ, ASHRAF ELMASRY

Los Angeles, CA.

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY and is granted under and by authority of the following resolution adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting duly held on the 20th day of July, 2010 and by the Board of Directors of ALLEGHENY CASUALTY COMPANY at a meeting duly held on the 15th day of August, 2000:

"RESOLVED, that (1) the President, Vice President, Chief Executive Officer or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY have each executed and attested these presents on this 31st day of December, 2015.



STATE OF NEW JERSEY
County of Essex

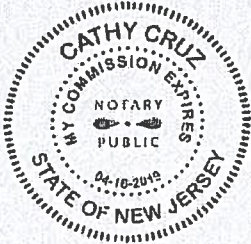
[Handwritten signature of Robert W. Minster]

ROBERT W. MINSTER
Chief Executive Officer (International Fidelity Insurance Company) and President (Allegheny Casualty Company)



On this 31st day of December 2015, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.



[Handwritten signature of Cathy Cruz]

A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 16, 2019

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this OCT 31 2016 day of

[Handwritten signature of Maria H. Branco]

MARIA BRANCO, Assistant Secretary

MATERIAL AND LABOR BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)

Public Improvements \$595,500
Bond No. 0705664
Surety International Fidelity Insurance Company
Address 2400 East Katella Ave., Suite 250
City/Zip Anaheim, CA92806
Project No. PA13-0063
Premium Included in Cost of Performance Bond.
Principal 17350 Perris Boulevard LLC
Address 100 Bayview Circle; Suite 310
City/Zip Newport Beach, CA 92660

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and 17350 PERRIS BOULEVARD LLC, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA13-0063, which agreement is hereby referred to and made a part hereof; and,

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of FIVE HUNDRED NINETY FIVE THOUSAND FIVE HUNDRED AND NO/100 Dollars (***\$595,500.00***), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

MATERIAL AND LABOR BOND (Page 2 of 2)
PROJECT NO. PA13-0063


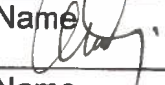
Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or the specifications accompanying the same shall in any manner affect its obligation on this bond, and it does hereby waive notice of any such change, extension, alteration or addition. Surety further stipulates and agrees that the provision of Section 2845 of the Civil Code are not a condition precedent to the Surety's obligations hereunder and hereby waived by the Surety.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named, on
October 31, 2016.

NAME OF PRINCIPAL: 17350 Perris Boulevard LLC
Company Name

AUTHORIZED SIGNATURE(S):

	DANIEL L. WEBB
_____	Vice President
Name	Title
	PRES / CEO
_____	Title
Name	

NAME OF SURETY: International Fidelity Insurance Company
Company Name

AUTHORIZED SIGNATURE: 
Nathan Varnold ITS ATTORNEY-IN-FACT

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY - ATTACH POWER OF ATTORNEY

Approved as to form:

Date: 12-16-16



City Attorney
City of Moreno Valley


A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

On November 8, 2016, before me, Sandy Jung, a Notary Public, personally appeared Daniel L. Webb and Michael J. Cushing, who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Public



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On **OCT 3 1 2016** before me, D. Casillas, Notary Public, personally appeared Nathan Varnold who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/~~they~~-executed the same in his/~~her~~/~~their~~ authorized capacity(ies), and that by his/~~her~~/~~their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature *D. Casillas*
Signature of Notary Public

POWER OF ATTORNEY
INTERNATIONAL FIDELITY INSURANCE COMPANY
ALLEGHENY CASUALTY COMPANY

ONE NEWARK CENTER, 20TH FLOOR NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing under the laws of the State of New Jersey, and ALLEGHENY CASUALTY COMPANY a corporation organized and existing under the laws of the State of New Jersey, having their principal office in the City of Newark, New Jersey, do hereby constitute and appoint

JAMES ROSS, TRACY ASTON, EDWARD C. SPECTOR, SIMONE GERHARD, DARAVY MADY, LISA K. CRAIL,
NATHAN VARNOLD, TOM BRANIGAN, PAUL RODRIGUEZ, ASHRAF ELMASRY

Los Angeles, CA.

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY and is granted under and by authority of the following resolution adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting duly held on the 20th day of July, 2010 and by the Board of Directors of ALLEGHENY CASUALTY COMPANY at a meeting duly held on the 15th day of August, 2000:

"RESOLVED, that (1) the President, Vice President, Chief Executive Officer or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY have each executed and attested these presents on this 31st day of December, 2015.



STATE OF NEW JERSEY
County of Essex

ROBERT W. MINSTER
Chief Executive Officer (International Fidelity Insurance Company) and President (Allegheny Casualty Company)



On this 31st day of December 2015, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.



A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 16, 2019

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this **OCT 31 2016** day of

MARIA BRANCO, Assistant Secretary



Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: January 3, 2017

TITLE: PA07-0129 (TRACT 35606) – ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS ON METRIC DRIVE BETWEEN HUBBARD STREET AND PERRIS BOULEVARD DEVELOPER: METRIC HOMES, LLC

RECOMMENDED ACTION

Recommendations:

1. Accept the Agreement and Security for Public Improvements for Metric Homes, LLC.
2. Authorize the Mayor to execute the Agreement.
3. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
4. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

SUMMARY

This report recommends approval of the agreement by the City of Moreno Valley and Metric Homes, LLC to construct the required public improvements that are located on Metric Drive between Hubbard Street and Perris Boulevard. The project is funded by Metric Homes, LLC.

DISCUSSION

On April 14, 2011, the Planning Commission of the City of Moreno Valley approved project PA07-0129 (Tract 35606). The developer proposes to subdivide a 4.8 acre parcel into 16 single-family residential lots. This project is located on Metric Drive between Hubbard Street and Perris Boulevard.

Metric Homes, LLC, the developer of this project, has completed an Agreement for Public Improvements. The developer agrees to perform and complete all of the required public improvements within twenty-four (24) months of the date the agreement is executed. The public improvements include, but are not limited to: asphalt pavement, curb, gutter, sidewalk, driveway approaches, street lights, landscaping, storm drain, sewer, and water. The public improvements to be constructed are on Metric Way and Thomas Drive. The storm drain will be constructed within the Tract and along Tranquil Way and connect to a storm drain system on Hubbard Street. The City Engineer may execute any future amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

The Conditions of Approval for this project require that the developer provide surety for the required improvements. Accompanying the agreement is a Faithful Performance Bond in the amount of \$993,000 and a Material and Labor Bond in the amount of \$496,500 issued by Indemnity Company of California.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *Staff recommends this alternative to allow the project to move forward with development and construction of public improvements.*
2. Do not approve and authorize the recommended actions as presented in this staff report. *Staff does not recommend this alternative since it will not allow the project to move forward with development and construction of public improvements.*

FISCAL IMPACT

No fiscal impact is anticipated.

NOTIFICATION

Publication of agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Hoang Nguyen, P.E.
Associate Engineer

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Michael Lloyd, P.E.

Engineering Division Manager

CITY COUNCIL GOALS

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

Objective 4.2: Develop and maintain a comprehensive Infrastructure Plan to invest in and deliver City infrastructure.

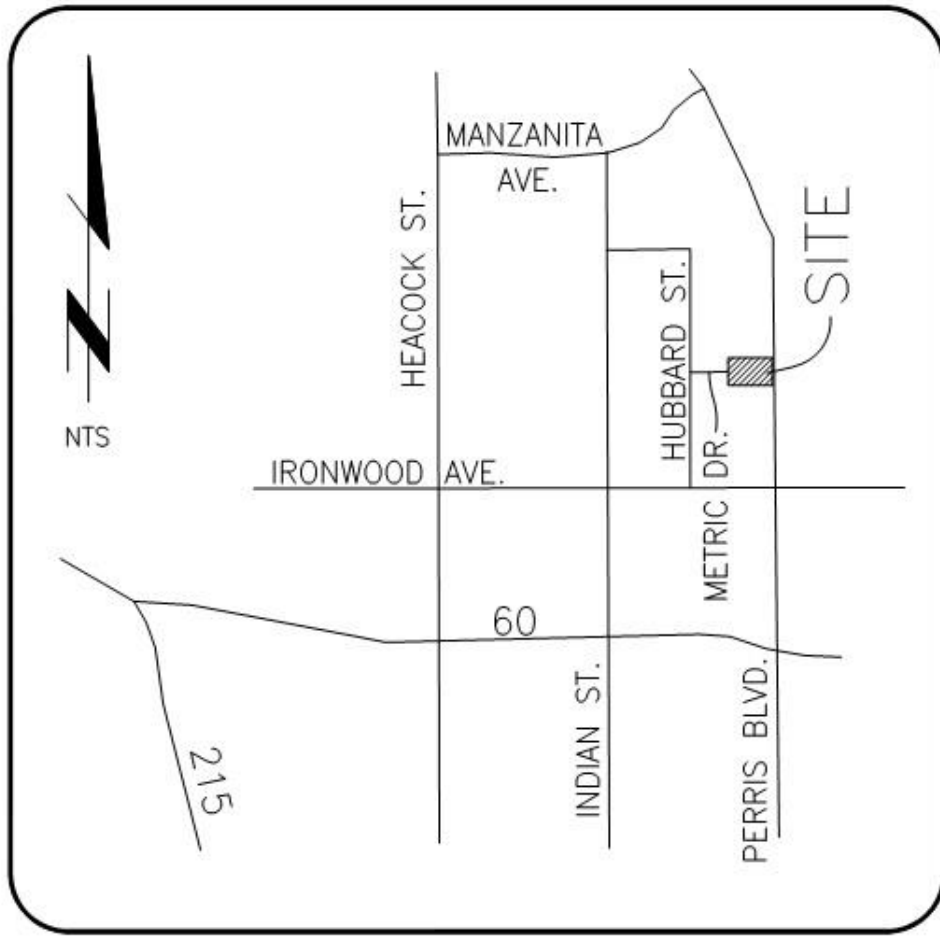
ATTACHMENTS

- 1. Vicinity Map - PA07-0129 (TR 35606)
- 2. Agreement for Public Improvements - PA07-0129 (TR 35606)
- 3. Faithful Performance Bond - PA07-0129 (TR 35606)
- 4. Material and Labor Bond - PA07-0129 (TR 35606)

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/14/16 7:56 AM
City Attorney Approval	<u>✓ Approved</u>	12/13/16 1:13 PM
City Manager Approval	<u>✓ Approved</u>	12/19/16 2:42 PM

VICINITY MAP



CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT

PA07-0129
TR 35606

Attachment: Vicinity Map - PA07-0129 (TR 35606) (2337 : PA07-0129 (TRACT 35606) - ACCEPT THE AGREEMENT AND SECURITY)

**AGREEMENT FOR PUBLIC IMPROVEMENTS
FOR
PROJECT NO. PA07-0129 (TR 35606)**

This Agreement made and entered into by and between the City of Moreno Valley, State of California, hereinafter called City, and **Metric Homes, LLC**, herein after called Developer, on the date the City signs this agreement.

WITNESSETH:

FIRST: Developer, for and in consideration of the approval by the City of the final map of that certain land division, or that certain other land development project, known as **PA07-0129 (TR 35606)** agrees, at Developer's own expense, to furnish all labor, equipment and material necessary, and within **TWENTY-FOUR (24)** months from the date this Agreement is executed, to perform and complete in a good and workmanlike manner, all of the required improvements in accordance with those improvement plans for said project which have been approved by the City Engineer, and are on file in the office of the City Engineer, and to do all work incidental thereto in accordance with the standards set forth in City ordinances and regulations, and pay all costs of engineering necessary in connection therewith, which are expressly made a part of this Agreement. All of the above-required work shall be done under the inspection of and to the satisfaction of the City Engineer, and shall not be deemed complete until approved and accepted as complete by the City. Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Developer shall complete the improvements described in this paragraph pursuant to Section 66462, Government Code. Developer shall also complete any offsite improvements required as a condition of approval and with plans approved by the City Engineer at such time as the City acquires an interest in the land which will permit the improvements to be made, and the Developer waives the 120 day time limitation set forth in Section 66462.5, Government Code.

Security to guarantee the performance of this agreement shall be in the following amounts:

Faithful Performance security shall be in the sum of **NINE HUNDRED NINETY THREE THOUSAND AND NO/100** Dollars (*****\$993,000.00*****). The estimated cost of said work and improvements, pursuant to the Preliminary Estimate of Cost labeled Exhibit A attached hereto.

Labor and Material security shall be in the sum of **FOUR HUNDRED NINETY SIX THOUSAND FIVE HUNDRED AND NO/100** Dollars (*****\$496,500.00*****). The estimated cost securing payment of labor and materials is fifty (50) percent of the total cost estimate of the improvements.

Developer further agrees to guarantee the required improvements for a period of one year following acceptance by the City and during this one year period to repair and replace, to the satisfaction of the City Engineer, any defective work or labor done or defective materials furnished. Upon entering the warranty period, the City shall retain ten percent of the original faithful performance security. Developer reserves the right to substitute the form of security, in accordance with the Moreno Valley Municipal Code, at any time during the term of this agreement, subject to approval of the City Engineer and City Attorney.

SECOND: Developer agrees to file with City, prior to the date this Agreement is executed, a good and sufficient improvement security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this Agreement, and good and sufficient security for payment of labor and materials in the amount prescribed by City ordinances and regulations to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code of the State of California. Developer agrees to renew each and every said bond or bonds with good and sufficient sureties or increase the amounts of said bond or bonds, or both, within ten (10) days after being notified by the City Engineer that the sureties or amounts are insufficient. Notwithstanding any other provision herein, if Developer fails to take such action as is

**AGREEMENT FOR PROJECT NO. PA07-0129 (TR 35606)
PUBLIC IMPROVEMENTS**

necessary to comply with said notice, he shall be in default of this Agreement unless all required improvements are completed within ninety (90) days of the date on which the City Engineer notified the Developer of the insufficiency of said bonds. Developer reserves the right to substitute the form of security in accordance with the City's Municipal Code at any time during the term of this agreement, subject to approval by the City Engineer and City Attorney.

THIRD: Developer agrees to pay to the City the actual cost of such inspection of the works and improvements as may be required by the City Engineer. Developer further agrees that, if suit is brought upon this Agreement or any bond guaranteeing the completion of the required improvements, all costs and reasonable expenses and fees incurred by the City in successfully enforcing such obligations shall be paid by Developer and guaranteed by the surety in addition to the face amount of the security, including reasonable attorney's fees, and that, upon entry of judgment, such costs, expenses and fees shall be taxed as costs and included in any judgment rendered.

FOURTH: To the furthest extent allowed by law, including California Civil Code Section 2782, Developer shall indemnify, hold harmless and defend City and each of its officers, officials, employees and agents from any and all claims, losses, liabilities, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including, but not limited to personal injury, death at any time and/or property damage) incurred by City or any other Person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of the performance of this Agreement, including but not limited to the alleged acts or omissions of any contractor, subcontractor, employee or agent acting on behalf of Developer or the design of any improvements to be constructed pursuant to this Agreement or the use of any patent or patented article in the performance of this Agreement.

Developer's obligations to indemnify and hold City harmless shall apply in all instances except those claims caused by the active negligence, sole negligence, or willful misconduct of City or any of its officers, officials, employees or agents. Developer's obligations to defend the City and provide a legal defense (including the retention of attorneys acceptable to City and all legal costs and expenses) shall apply in all instances, except those claims arising out of the sole negligence or the willful misconduct of City or any of its officers, officials, employees or agents.

If Developer retains any contractor or subcontractor to perform any of the Work to be performed under this Agreement, Developer shall require each contractor or subcontractor to indemnify, hold harmless and defend City and each of its officers, officials, employees and agents in accordance with the terms of the preceding paragraphs.

Developer's obligations under his section shall survive the completion of any work to be performed by Developer, the City's inspection and/or acceptance of any work performed by Developer, as well as the termination or expiration of this Agreement.

Developer's provision of insurance, as required below, does not terminate, alter, limit or satisfy Developer's defense and indemnity obligations provided for herein.

FIFTH: Throughout the life of the Agreement, Developer shall pay for and maintain in full force and effect all policies of insurance required hereunder with an insurance company (ies) either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A-VII" in Best's Insurance Rating Guide, or (ii) as authorized by the City Manager or his/her designee. The following policies of insurance are required:

- (i) COMMERCIAL GENERAL LIABILITY insurance which shall be at least as broad as the most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01 and include insurance for "bodily injury," "property damage" and "personal and advertising injury" with

**AGREEMENT FOR PROJECT NO. PA07-0129 (TR 35606)
PUBLIC IMPROVEMENTS**

coverage for premises and operations (including the use of owned and non-owned equipment), products and completed operations, and contractual liability (including, without limitation, indemnity obligations under the Contract) with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage, \$1,000,000 per occurrence for personal and advertising injury, \$2,000,000 aggregate for products and completed operations and \$2,000,000 general aggregate.

(ii) COMMERCIAL AUTOMOBILE LIABILITY insurance which shall be at least as broad as the most current version of Insurance Services Office (ISO) form CA 00 01 and shall include coverage for "any auto" with limits of liability of not less than \$1,000,000 per accident for bodily and property damage. Commercial Automobile Liability coverage is required if automobiles are to be operated on city-owned property or within City right-of-way.

(iii) WORKERS' COMPENSATION insurance as required under the California Labor Code.

Developer shall be responsible for payment of any deductibles or self-insured retentions contained in any insurance policies required hereunder.

All policies of insurance required hereunder shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after thirty (30) calendar day written notice by certified mail, return receipt requested, has been given to the City. Upon issuance by the insurer, broker or agent of a notice of cancellation, non-renewal or reduction in coverage or limits, Developer shall furnish City with a new certificate and applicable endorsements for such policy(ies). In the event any policy(ies) is due to expire before the completion of the work, Developer shall provide a new certificate and all applicable endorsements evidencing renewal of such policy(ies) not less than 15 calendar days prior to the expiration date of the expiring policy(ies).

The General Liability and Automobile Liability insurance policies shall be written on an occurrence form and endorsed to name the City and its officers, officials, employees and agents as additional insured's. Such policy(ies) of insurance shall be endorsed so Developer's insurance shall be primary and no contribution shall be required of City. Any Workers' Compensation insurance policy shall contain a waiver of subrogation as to City, its officers, officials, employees and agents. Developer shall furnish City with the certificate(s) and applicable endorsements for all required insurance fourteen (14) days prior to the start of work. NOTE: A Certificate of Insurance is not acceptable. The Certificate of Insurance must be accompanied by the additional insured and primary insurance endorsements.

If Developer retains any contractor or subcontractor to perform any of the Work to be performed under this Agreement, Developer shall require each contractor or subcontractor to provide insurance protection in favor of City, its officers, officials, employees and agents in accordance with the terms of the Agreement. Any contractor or subcontractor performing work on behalf of Developer shall likewise be required to name City its officers, officials, employees and agents as additional insured's as required herein. Developer shall obtain certificates and endorsements from such contractors or subcontractors before the commencement of any work.

At any time during the Agreement, upon request of City, Developer shall immediately furnish City with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy.

If at any time Developer fails to maintain the required insurance in full force and effect, all work permitted thereunder shall be discontinued immediately until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure by Developer to provide or maintain the required insurance shall be considered a material breach of the Agreement.

**AGREEMENT FOR PROJECT NO. PA07-0129 (TR 35606)
PUBLIC IMPROVEMENTS**

The fact that insurance is obtained by Developer shall not be deemed to release or diminish its liability, including but not limited to, liability under the indemnity provisions on this Agreement. Developer's duty to defend and indemnify City shall apply to all claims and liabilities, regardless of whether any insurance policies are applicable. The policy limits stated herein do not act as a limitation upon the amount of indemnification required to be provided by Developer.

SIXTH The Developer hereby grants to the City and/or to any authorized agent or employee of the City, the irrevocable permission to enter upon the lands of the above-referenced land division for the purpose of completing the improvements. This permission shall terminate in the event that the Developer has completed the work within the time specified or any extension thereof granted by the City.

SEVENTH: Developer agrees at all times, up to the completion and acceptance of the improvements by the City, to give good and adequate warning to the traveling public of each and every dangerous condition caused by the construction of the improvements, and to protect the traveling public from such defective or dangerous conditions. The Developer shall keep all traveled ways that are a part of, or affected by the construction of this project free and clear of mud, dirt and debris and shall provide twice monthly street sweeping service. A copy of the contract for street sweeping service shall be provided to the City. The Developer's obligation under this provision shall be secured by the bonds securing performance of this Agreement.

EIGHTH: The Developer, his agents and employees, shall give notice to the City Engineer at least 48 hours before beginning any work and shall furnish said City Engineer all reasonable facilities for obtaining full information with respect to the progress and manner of work.

NINETH: If the Developer, or his agents or employees, neglects, refuses, or fails to prosecute the work with such diligence as to insure its completion within the specified time, or within such extensions of time as have been granted by the City, or if the Developer violates, neglects, refuses, or fails to perform satisfactorily any of the provisions of the plans and specifications, he shall be in default of this Agreement and notice in writing of such default shall be served upon him. The City Council shall have the power, on recommendation by the City Engineer, to terminate all rights of the Developer because of such default. The determination by the City Engineer of the question as to whether any of the terms of the Agreement or specifications have been violated, or have not been performed satisfactorily, shall be conclusive upon the Developer, and any and all parties who may have any interest in the Agreement or any portion thereof. The foregoing provisions of this section shall be in addition to all other rights and remedies available to the City under law.

TENTH: It is further agreed by and between the parties hereto, including the surety or sureties on the bonds securing this Agreement that, in the event it is deemed necessary to extend the time of completion of the work contemplated to be done under this Agreement, extensions of time **may** be granted by the City from time to time, either at its own option, or upon request of Developer, and such extensions shall in no way affect the validity of this Agreement or release the surety or sureties on said bonds, Developer further agrees to maintain the aforesaid bonds in full force and effect during the terms of this Agreement, including any extensions of time as may be granted therein.

ELEVENTH: It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement is by the courts held to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

TWELFTH: In the event legal action is required to enforce the terms of the Agreement, the prevailing party shall be entitled to recover attorney's fees and costs, including expert fees.

THIRTEENTH: Any notice or notices required or permitted to be given pursuant to this Agreement shall be served on the other party by mail, postage prepaid, at the following addresses:

City:
City Engineer
P.O. Box 88005
14177 Frederick Street
Moreno Valley, CA 92552-0805

Developer:
Metric Homes, LLC
1442 E. Lincoln Ave.
Suite 444
Orange, CA 92865

IN WITNESS WHEREOF Developer has affixed his name, address and seal.

Date approved by the City: _____

Metric Homes, LLC:
Developer

By: *J. Patel*
Signature
JAGDISH M. PATEL
Print/Type Name
chief executive
Title manager

By: _____
Signature

Print/Type Name

Title

ATTEST:
CITY CLERK
OF THE CITY OF MORENO VALLEY

CITY OF MORENO VALLEY

By: _____
City Clerk

By: _____
Mayor

(SEAL)

APPROVED AS TO FORM:
CITY ATTORNEY

Date: 10-19-16

By: *[Signature]*
City Attorney

NOTE: TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS UNLESS CORPORATE DOCUMENTS ARE PROVIDED THAT INDICATE OTHERWISE.

SIGNATURES OF DEVELOPER MUST BE EXECUTED IN QUADRUPPLICATE AND THE EXECUTION OF THE ORIGINAL COPY MUST BE ACKNOWLEDGED BEFORE A NOTARY
ORIGINAL - CITY CLERK; PINK - DEVELOPER; GREEN - SURETY; BLUE - PROJECT FILE

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness accuracy or validity of that document.

State of California

County of Riverside

On September 14, 2016 before me, Lisette Arriaga, Notary Public,
(Here insert name and title of the officer)

personally appeared Jagdish M. Patel

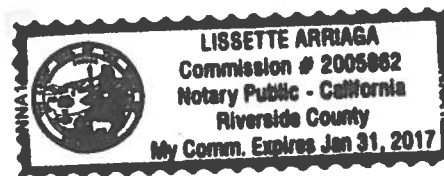
who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED

Agreement for Public Improvements

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages Document Date

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e., certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~, ~~is~~/~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

EXHIBIT "A"
ENGINEER'S ESTIMATE

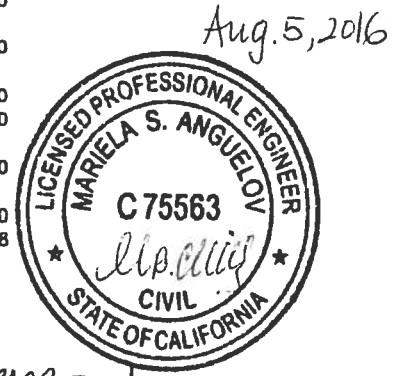
Sheet 1 of 8

DATE: 06/02/16
PREPARED BY: David Stawson

PROJECT: PA07-0129 (Tract 35606)

PUBLIC PAVEMENT SECTIONS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Street Work - Non DIF Non TUMF				
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 1	26101	Thickness (ft.)		
	0.5	S.F.	946	31,218
A.C. - Street 1	26101	Thickness (ft.)		
	0.25	S.F.	473	37,840
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0	0
Street Work - DIF				
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0	0
Street Work - TUMF				
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 1	0	Thickness (ft.)		
	0	S.F.	0	0
A.C. - Street 1	0	Thickness (ft.)		
	0	S.F.	0	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 2	0	Thickness (ft.)		
	0	S.F.	0	0
A.C. - Street 2	0	Thickness (ft.)		
	0	S.F.	0	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 3	0	Thickness (ft.)		
	0	S.F.	0	0
A.C. - Street 3	0	Thickness (ft.)		
	0	S.F.	0	0
Roadway Excavation	0	C.Y.	29.00	0
A.B. Class II - Street 4	0	Thickness (ft.)		
	0	S.F.	0	0
A.C. - Street 4	0	Thickness (ft.)		
	0	S.F.	0	0
			80.00	0
SUBTOTAL:				69,058



Approved HMP
8-25-16

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 2 of 8

DATE: 06/02/16

PREPARED BY: David Slawson

PROJECT: PA07-0129 (Tract 35606)

PUBLIC STREET WORK

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Offsite Street Work				
<i>Pavement</i>				
Grind & Pave 0.15'	80	S.F.	3.25	260
A.C. Cap/Overlay	0	Ton	80.00	0
Slurry Seal (Based on \$150/Ton Type II)	2640	S.Y.	2.25	5,940
Paving Fabric	0	S.Y.	1.20	0
Sawcut	0	L.F.	3.00	0
Utility Trench	0	L.F.	17.00	0
Trench Repaving	4700	S.F.	12.00	56,400
Redwood Header	0	L.F.	6.00	0
A.C. Berm - 6"	0	L.F.	10.00	0
A.C. Berm - 8"	0	L.F.	15.00	0
Adjust M.H. to Grade	0	EA.	800.00	0
Adjust Water Valve to Grade	0	EA.	400.00	0
Remove & Dispose Existing Pavement & Base	0	SF	3.00	0
Remove Existing Curb & Gutter	0	L.F.	12.00	0
<i>Concrete</i>				
P.C.C. Paving - 6"	0	S.F.	6.50	0
P.C.C. Paving - 8"	0	S.F.	10.50	0
Curb and Gutter - 6"	1448	L.F.	25.00	36,200
Curb and Gutter - 8"	0	L.F.	30.00	0
Curb and Gutter - 8" (DIF Street Name)	0	L.F.	30.00	0
Curb and Gutter - 8" (TUMF Street Name)	0	L.F.	30.00	0
Curb Only - 6"	0	L.F.	20.00	0
Curb Only - 8"	0	L.F.	25.00	0
Curb Only - 8" (DIF Street Name)	0	L.F.	25.00	0
Curb Only - 8" (TUMF Street Name)	0	L.F.	25.00	0
A.C. Curb 6"	0	L.F.	12.00	0
A.C. Curb 8"	0	L.F.	15.00	0
Cross Gutter and Spandrel	0	S.F.	10.25	0
Sidewalk	10557	S.F.	4.25	44,867
Sidewalk (DIF Street Name)	0	S.F.	7.00	0
Sidewalk (TUMF Street Name)	0	S.F.	7.00	0
Median Stamped Concrete	0	S.F.	14.00	0
Driveway Approach - 6"	4109	S.F.	6.50	26,799
Driveway Approach - 8"	0	S.F.	10.50	0
Wheelchair Ramp	2	EA.	2,600.00	5,200
Alley Approach - 8"	0	S.F.	10.25	0
1/2 Alley Apron	0	S.F.	10.25	0
Barricade	0	L.F.	100.00	0
Bus Bay	0	EA.	15,000.00	0
<i>Miscellaneous</i>				
Relocate Power Poles	0	EA.	30,000.00	0
Relocate Power Poles (DIF Street Name)	0	EA.	30,000.00	0
Erosion Control	5	AC	5,000.00	25,000
Walls - Masonry: 6' Maximum	0	L.F.	100.00	0
Walls - Retaining: 6' Maximum	0	L.F.	150.00	0
Reinforced P.C.C. Retaining Walls	0	C.Y.	780.00	0
	0		0.00	0
		SUBTOTAL		200,576
Traffic Improvements (Plan Checked by Trans. Eng. Staff/Inspected by LDD Staff)				
Traffic Striping/raised pavement markers	1	L.S.	—	3,500
Traffic Striping (DIF Street -Perris Blvd)	0	L.S.	—	0
Street Name Sign	1	EA.	500.00	500
Stop Sign	2	EA.	200.00	400
Signs and Posts	2	EA.	200.00	400
Signs and Posts (DIF Street -Perris Blvd)	0	EA.	200.00	0
Street Sweeping Sign	4	EA.	200.00	800
Warning Markers - Type L, Type N	0	EA.	100.00	0
Traffic Control	0	L.S.	10,000.00	0
Traffic Control (DIF Street Name)	0	L.S.	10,000.00	0
Traffic Signal PB-Adjust to Grade	0	EA.	800.00	0
Metal Guard Rail	0	L.F.	90.00	0
		SUBTOTAL:		5,600
Bondable Street Work Only (Not Plan Checked but Inspected)				
Undergrounding of Utilities	0	L.F.	203.00	0
Cluster Mail Boxes	1	EA.	4,500.00	4,500

Relocate Mailbox
Relocate Cluster Mailbox
Monuments
Relocate Trees

0	EA.	350.00	0
1	EA.	1,200.00	1,200
55	EA.	300.00	16,500
0	EA.	2,500.00	0

SUBTOTAL: 22,200

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 3 of 8

PROJECT: PA07-0129 (Tract 35606)

DATE: 06/02/16
PREPARED BY: David Slawson

PUBLIC STREET WORK (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Special Districts				
Landscaping - Medians	0	S.F.	6.00	0
Landscaping - Parkways	0	S.F.	6.00	0
100W HPSV or Equivalent (9,500 Lumens)	5	EA.	5,000.00	25,000
200W HPSV or Equivalent (22,000 Lumens)	2	EA.	6,000.00	12,000
250W HPSV or Equivalent	0	EA.	6,000.00	0
100W LED or Equivalent	0	EA.	5,000.00	0
145W LED or Equivalent	0	EA.	5,000.00	0
SPECIAL DISTRICTS SUBTOTAL:				37,000
Moreno Valley Utilities				
Electrical Utility Infrastructure	0	L.S.	50.00	0
MVU SUBTOTAL:				0
Water Quality Basin				
Landscaping	0	S.F.	6.00	0
Filtration Devices	0	EA.	0.00	0
Access Ramp PCC	0	S.F.	0.00	0
Low-Flow Pipe System	0	L.F.	0.00	0
Headwalls	0	EA.	0.00	0
Outlets	0	EA.	0.00	0
Risers	0	EA.	0.00	0
Forebay PCC	0	S.F.	0.00	0
Toe of slope protection PCC	0	S.F.	20.00	0
WQB SUBTOTAL:				0
Transportation Engineering (Plan Checked and Inspected by Transp. Eng. Staff)				
Traffic Signal New (Interconnect, Controller, Software, Initial Coordination)	0	EA.	272,000.00	0
Traffic Signal Modification	0	L.S.	50,000.00	0
Traffic Signal Interconnect (Existing Signals Only)	0	L.F.	30.00	0
TRANSPORTATION SUBTOTAL:				0

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 4 of 8

PROJECT: PA07-0129 (Tract 35606)

DATE: 06/02/16
PREPARED BY: David Slawson

PUBLIC STORM DRAIN SYSTEM

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipe				
12" Reinforced Concrete Pipe	0	L.F.	130.00	0
18" Reinforced Concrete Pipe	0	L.F.	140.00	0
24" Reinforced Concrete Pipe	1465	L.F.	160.00	234,400
24" Reinforced Concrete Pipe (DIF Street Name)	0	L.F.	160.00	0
30" Reinforced Concrete Pipe	0	L.F.	180.00	0
36" Reinforced Concrete Pipe	0	L.F.	190.00	0
39" Reinforced Concrete Pipe	0	L.F.	200.00	0
42" Reinforced Concrete Pipe	0	L.F.	210.00	0
48" Reinforced Concrete Pipe	0	L.F.	250.00	0
54" Reinforced Concrete Pipe	0	L.F.	300.00	0
60" Reinforced Concrete Pipe	0	L.F.	350.00	0
66" Reinforced Concrete Pipe	0	L.F.	375.00	0
72" Reinforced Concrete Pipe	0	L.F.	414.00	0
78" Reinforced Concrete Pipe	0	L.F.	459.00	0
84" Reinforced Concrete Pipe	0	L.F.	505.00	0
90" Reinforced Concrete Pipe	0	L.F.	557.00	0
96" Reinforced Concrete Pipe	0	L.F.	613.00	0
102" Reinforced Concrete Pipe	0	L.F.	671.00	0
108" Reinforced Concrete Pipe	0	L.F.	724.00	0
114" Reinforced Concrete Pipe	0	L.F.	785.00	0
12" HDPE	0	L.F.	45.00	0
18" HDPE	0	L.F.	50.00	0
24" HDPE	0	L.F.	55.00	0
30" HDPE	0	L.F.	60.00	0
36" HDPE	0	L.F.	70.00	0
42" HDPE	0	L.F.	80.00	0
48" HDPE	0	L.F.	90.00	0
54" HDPE	0	L.F.	125.00	0
60" HDPE	0	L.F.	140.00	0
4" PVC SCH. 40	0	L.F.	25.00	0
4" PVC SCH. 80	0	L.F.	30.00	0
6" PVC SCH. 40	0	L.F.	30.00	0
6" PVC SCH. 80	0	L.F.	35.00	0
8" PVC SCH. 40	0	L.F.	40.00	0
8" PVC SCH. 80	0	L.F.	48.00	0
Reinforced Concrete Structure	0	C.Y.	500.00	0
8' X 10' Reinforced Concrete Box	0	C.Y.	1200.00	0
8' X 12' Reinforced Concrete Box	0	C.Y.	1400.00	0
2 - 72" Reinforced Concrete Pipe	0	L.F.	840.00	0
3 - 4' X 2' Reinforced Concrete Pipe	0	L.F.	461.00	0
	0		0.00	0
Manholes				
Manhole No. 1	3	EA.	5000.00	15,000
Manhole No. 2	0	EA.	7200.00	0
Manhole No. 3	0	EA.	8500.00	0
Manhole No. 4	0	EA.	10000.00	0
	0		0.00	0
Catch Basins				
Catch Basin (3.5')	0	EA.	3100.00	0
Catch Basin (7')	1	EA.	5500.00	5,500
Catch Basin (10')	0	EA.	6000.00	0
Catch Basin (14')	2	EA.	8000.00	16,000
Catch Basin (21')	2	EA.	12500.00	25,000
Local Depressions	0	EA.	535.00	0
Catch Basin (3.5') (DIF Street Name)	0	EA.	3100.00	0
Catch Basin (7') (DIF Street Name)	0	EA.	5500.00	0
Catch Basin (10') DIF Street Name)	0	EA.	6000.00	0
Catch Basin (14') (DIF Street Name)	0	EA.	8000.00	0
Catch Basin (21') (DIF Street Name)	0	EA.	12500.00	0
Local Depressions (DIF Street Name)	0	EA.	535.00	0
24" X 24" Grate basin	0	EA.	2500.00	0
18" X 18" Grate Basin	0	EA.	2100.00	0
6" Wide Strip Basin	0	EA.	3000.00	0
Removal/Relocation- Catch Basin	0	EA.	5000.00	0
Grated Catch Basin	0	EA.	6000.00	0
Headwall	0	EA.	5500.00	0

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 5 of 8

PROJECT: PA07-0129 (Tract 35606)

DATE: 06/02/16
PREPARED BY: David Slawson

PUBLIC STORM DRAIN SYSTEM (CONTINUED)

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Structures				
Transition Structure	0	EA.	5500.00	0
Junction Structure	0	EA.	6500.00	0
Type IX Inlet Structure	0	EA.	2500.00	0
Inlet Structure (drop)	0	EA.	4000.00	0
Outlet Structure	0	EA.	8000.00	0
Concrete Collar (to 48")	4	EA.	3000.00	12,000
Headwall	0	EA.	5500.00	0
Concrete Collar (Grater than 48")	0	EA.	5000.00	0
Modified Junction Structure	0	EA.	15000.00	0
End Cap	0	EA.	1000.00	0
Drains				
Terrace Drain	0	S.F.	10.00	0
Down Drain	150	S.F.	10.00	1,500
Parkway Drain	0	EA.	3500.00	0
Under Sidewalk	0	EA.	600.00	0
Curb Outlet	0	EA.	250.00	0
"V" Gutter	900	S.F.	10.00	9,000
	0		0.00	0
Miscellaneous				
Rip Rap	0	TON	60.00	0
Concrete Pipe Slope Anchor	0	EA.	2500.00	0
Manhole Shaft	0		6000.00	0
Access Opening	0		15,000.00	0
			SUBTOTAL:	318,400

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 6 of 8

PROJECT: PA07-0129 (Tract 35606)

DATE: 06/02/16
PREPARED BY: David Slawson

PUBLIC WATER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Water System				
4" PVC C-900	0	L.F.	25.00	0
6" PVC C-900	0	L.F.	30.00	0
8" PVC C-900	955	L.F.	35.00	33,425
10" PVC C-900	0	L.F.	40.00	0
12" PVC C-900	0	L.F.	60.00	0
16" PVC C-900	0	L.F.	90.00	0
18" PVC C-900	0	L.F.	135.00	0
20" PVC C-900	0	L.F.	180.00	0
	0	L.F.	0.00	0
Valves - Water System				
4" Gate Valve	0	EA.	715.00	0
6" Gate Valve	0	EA.	830.00	0
8" Gate Valve	3	EA.	1,340.00	4,020
10" Gate Valve	0	EA.	1,500.00	0
12" Gate Valve	0	EA.	2,300.00	0
16" Gate Valve	0	EA.	6,270.00	0
18" Gate Valve	0	EA.	14,300.00	0
4" Butterfly Valve	0	EA.	330.00	0
6" Butterfly Valve	0	EA.	520.00	0
8" Butterfly Valve	0	EA.	990.00	0
10" Butterfly Valve	0	EA.	1,200.00	0
12" Butterfly Valve	0	EA.	1,800.00	0
16" Butterfly Valve	0	EA.	2,700.00	0
18" Butterfly Valve	0	EA.	2,800.00	0
20" Butterfly Valve	0	EA.	4,200.00	0
24" Butterfly Valve	0	EA.	5,200.00	0
1" Air Vac Release	0	EA.	2,400.00	0
2" Air Vac Release	0	EA.	4,000.00	0
2" Backflow Preventor, Pad & Cover	0	EA.	4,300.00	0
4" Blow Off	0	EA.	3,500.00	0
6" Blow Off	1	EA.	4,000.00	4,000
	0		0.00	0
Fire Hydrants - Water System				
6" Standard Fire Hydrants	3	EA.	4,000.00	12,000
6" Super Fire Hydrants	0	EA.	4,500.00	0
	0		0.00	0
Services Connections				
1" Service	16	EA.	800.00	12,800
1" Service w/ 5/8" Service	0	EA.	2,000.00	0
1 1/2" Service	0	EA.	1,100.00	0
2" Service	0	EA.	1,600.00	0
	0		0.00	0
Fittings - Water System				
Misc. Fittings 4"	0		120.00	0
Misc. Fittings 6"	0		160.00	0
Misc. Fittings 8"	6		200.00	1,200
Misc. Fittings 10"	0		240.00	0
Misc. Fittings 12"	0		750.00	0
	0		0.00	0
Water Meters - Water System				
5/8" Meter	16		230.00	3,680
1" Meter	0		320.00	0
1 1/2" Meter	0		420.00	0
2" Meter	0		525.00	0
	0		0.00	0
Hot Tap Connections - Water System				
6" Hot Tap	0	EA.	1,750.00	0
8" Hot Tap	1	EA.	2,200.00	2,200
12" Hot Tap	0	EA.	3,150.00	0
Hot Tap Service Clamp	0	EA.	1,000.00	0
Water Service	16	EA.	330.00	5,280
	0		0.00	0
Miscellaneous - Water System				
Thrust Block	0	CY	150.00	0

Jack & Bore	60 L.F.	300.00	18,000
Joint at Existing 8"	0 EA.	650.00	0
Adjust Water Meter Box to Grade	0 EA.	235.00	0
		0.00	0
		SUBTOTAL:	96,605

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 7 of 8

PROJECT: PA07-0129 (Tract 35606)

DATE: 06/02/16
PREPARED BY: David Slawson

PUBLIC SEWER SYSTEMS

TYPE	QUANTITY	UNIT	UNIT PRICE	TOTAL
Pipes - Sewer System				
4" V.C. Pipe	450	L.F.	25.00	11,250
6" V.C. Pipe	0	L.F.	40.00	0
8" V.C. Pipe	680	L.F.	55.00	37,400
10" V.C. Pipe	0	L.F.	60.00	0
12" V.C. Pipe	0	L.F.	70.00	0
15" V.C. Pipe	0	L.F.	80.00	0
18" V.C. Pipe	0	L.F.	160.00	0
21" V.C. Pipe	0	L.F.	180.00	0
24" V.C. Pipe	0	L.F.	195.00	0
27" V.C. Pipe	0	L.F.	215.00	0
30" V.C. Pipe	0	L.F.	235.00	0
33" V.C. Pipe	0	L.F.	280.00	0
36" V.C. Pipe	0	L.F.	300.00	0
4" SDR - 35	0	L.F.	25.00	0
6" SDR - 35	0	L.F.	30.00	0
8" SDR - 35	0	L.F.	35.00	0
10" SDR - 35	0	L.F.	45.00	0
12" SDR - 35	0	L.F.	54.00	0
15" SDR - 35	0	L.F.	90.00	0
Concrete Encasement	0	L.F.	20.00	0
	0		0.00	0
Cleans Outs - Sewer System				
Clean-outs	16	EA.	730.00	11,680
Clean Out Lateral	16	EA.	200.00	3,200
	0		0.00	0
Manholes - Sewer System				
Standard Manhole 48"	3	EA.	3,140.00	9,420
Standard Manhole 48" Extra Depth	0	EA.	3,500.00	0
Standard Manhole 60"	0	EA.	4,500.00	0
Shallow Manhole	0	EA.	3,300.00	0
Adjust Manhole to Grade	0	EA.	630.00	0
Tie Into Existing Manhole	1	EA.	2,100.00	2,100
Rechannel Existing Manhole		EA.	1,500.00	0
Join Existing 8" Pipe	0	EA.	1,500.00	0
Join Existing 12" Pipe	0	EA.	2,000.00	0
Pavement around MH	0	S.F.	14.00	0
	0		0.00	0
Miscellaneous - Sewer System				
Wyes	16	EA.	90.00	1,440
TV Sewer	680	L.F.	1.20	816
Trench Paving	1	S.F.	5.00	5
Pavement Replacement	0	S.F.	3.00	0
			SUBTOTAL:	77,311

EXHIBIT "A"
ENGINEER'S ESTIMATE

Sheet 8 of 8

CITY OF MORENO VALLEY
PUBLIC WORKS DEPARTMENT - LAND DEVELOPMENT DIVISION
BOND COMPUTATION SHEET

PROJECT: PA07-0129 (Tract 35606)

DATE: 06/02/16
PREPARED BY: David Slawson

IMPROVEMENT TYPE:

PAVEMENT SECTION WORK	:	\$69,058
OFFSITE STREET WORK	:	\$200,576
SPECIAL DISTRICTS	:	\$37,000
MORENO VALLEY UTILITIES	:	\$0
WATER QUALITY BASIN	:	\$0
TRANSPORTATION ENGINEERING	:	\$0
STORM DRAIN SYSTEM	:	\$318,400
WATER SYSTEM	:	\$96,805
SEWER SYSTEM	:	\$77,311
TRAFFIC IMPROVEMENTS	:	\$5,600
MONUMENTS/OTHER	:	\$22,200
TOTAL COST (VALUE) OF IMPROVEMENTS:		\$828,750
+20% CONTINGENCY:		\$165,350
<u>GRAND TOTAL:</u>		\$992,100

FAITHFUL PERFORMANCE SECURITY AMOUNT: \$993,000

LABOR & MATERIAL SECURITY AMOUNT: \$496,500

*The cost for securing payment of Labor and Materials is fifty (50) percent of the total cost estimate of the improvements.

HMN
9-9-16

FAITHFUL PERFORMANCE BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.1)

Public Improvements \$993,000 Project No. PA07-0129 (TR 35606)
Bond No. 391021S Premium \$20,853.00
Surety Indemnity Company of California Principal Metric Homes, LLC.
Address 500 S. Kraemer Blvd., Ste. 300 Address 1442 E. Lincoln Ave. #444
City/Zip Brea, CA 92821 City/Zip Orange, CA 92865

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and METRIC HOMES, LLC, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0129 (TR 35606), which agreement is hereby referred to and made a part hereof; and,

WHEREAS, said principal is required under the terms of said agreement to furnish bond for the faithful performance of said agreement;

NOW, THEREFORE, we the Principal, and Indemnity Company of California, as Surety, are held and firmly bound to the City of Moreno Valley in the penal sum of NINE HUNDRED NINETY THREE THOUSAND AND NO/100 Dollars (**\$993,000.00**), lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrator, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bonded Principal, his or its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As part of the obligation secured hereby, and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

FAITHFUL PERFORMANCE BOND (Page 2 of 2)
PROJECT NO. PA07-0129 (TR 35606)

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications. Surety further stipulates and agrees that the provisions of Section 2845 of the Civil Code are not a condition precedent to Surety's obligations hereunder and are hereby waived by Surety.

When the work covered by the agreement is complete, the City Council of the City of Moreno Valley will accept the work and thereupon the amount of the obligation of this bond is reduced by 90%, with the remaining 10% held as security for the one-year maintenance period provided for in the agreement(s).

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named on October 6, 2016.

NAME OF PRINCIPAL: METRIC HOMES, LLC
Company Name

AUTHORIZED SIGNATURE(S): By [Signature] Executive manager
Name Title
Name Title

NAME OF SURETY: Indemnity Company of California
Company Name

AUTHORIZED SIGNATURE: [Signature]
Tammy Bates, ITS ATTORNEY-IN-FACT

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY – ATTACH POWER OF ATTORNEY

Approved as to form:

Date: 10-10-16

[Signature]
City Attorney
City of Moreno Valley

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

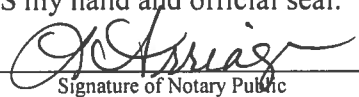
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness accuracy or validity of that document.

State of California
County of Riverside

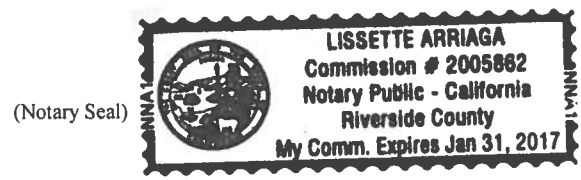
On October 11, 2016 before me, Lisette Arriaga, Notary Public
(Here insert name and title of the officer)
personally appeared Jagdish M. Patel

who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.


Signature of Notary Public



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED

Bond
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages Document Date

(Additional information)

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e., certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~-is/~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

CAPACITY CLAIMED BY THE SIGNER

Individual(s)

Corporate Officer

(Title)

Partner(s)

Attorney-in-Fact

Trustee(s)

Other _____

POWER OF ATTORNEY FOR DEVELOPERS SURETY AND INDEMNITY COMPANY INDEMNITY COMPANY OF CALIFORNIA PO Box 19725, IRVINE, CA 92623 (949) 263-3300

KNOW ALL BY THESE PRESENTS that except as expressly limited, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, do each hereby make, constitute and appoint:

Tammy Bates, Pam Binns, Ronald D. Burcham, Janice E. Schneider, Wendy Ryan, jointly or severally

as their true and lawful Attorney(s)-in-Fact, to make, execute, deliver and acknowledge, for and on behalf of said corporations, as sureties, bonds, undertakings and contracts of suretyship giving and granting unto said Attorney(s)-in-Fact full power and authority to do and to perform every act necessary, requisite or proper to be done in connection therewith as each of said corporations could do, but reserving to each of said corporations full power of substitution and revocation, and all of the acts of said Attorney(s)-in-Fact, pursuant to these presents, are hereby ratified and confirmed.

This Power of Attorney is granted and is signed by facsimile under and by authority of the following resolutions adopted by the respective Boards of Directors of DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, effective as of January 1st, 2008.

RESOLVED, that a combination of any two of the Chairman of the Board, the President, Executive Vice-President, Senior Vice-President or any Vice President of the corporations be, and that each of them hereby is, authorized to execute this Power of Attorney, qualifying the attorney(s) named in the Power of Attorney to execute, on behalf of the corporations, bonds, undertakings and contracts of suretyship; and that the Secretary or any Assistant Secretary of either of the corporations be, and each of them hereby is, authorized to attest the execution of any such Power of Attorney;

RESOLVED, FURTHER, that the signatures of such officers may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures shall be valid and binding upon the corporations when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached.

IN WITNESS WHEREOF, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA have severally caused these presents to be signed by their respective officers and attested by their respective Secretary or Assistant Secretary this 18th day of April, 2016.

By: Daniel Young, Senior Vice-President
By: Mark Lansdon, Vice-President

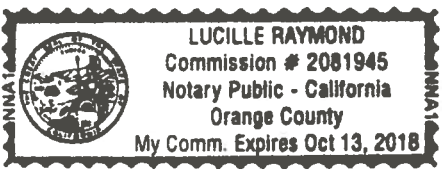


A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange

On April 18, 2016 before me, Lucille Raymond, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Daniel Young and Mark Lansdon
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

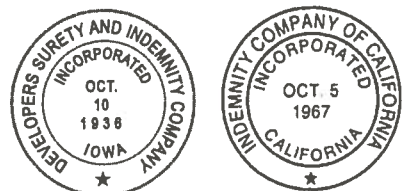
WITNESS my hand and official seal.
Signature Lucille Raymond, Notary Public

CERTIFICATE

The undersigned, as Secretary or Assistant Secretary of DEVELOPERS SURETY AND INDEMNITY COMPANY or INDEMNITY COMPANY OF CALIFORNIA, does hereby certify that the foregoing Power of Attorney remains in full force and has not been revoked and, furthermore, that the provisions of the resolutions of the respective Boards of Directors of said corporations set forth in the Power of Attorney are in force as of the date of this Certificate.

This Certificate is executed in the City of Irvine, California, this 6th day of October, 2016

By: Cassie J. Berrisford, Assistant Secretary



MATERIAL AND LABOR BOND

City of Moreno Valley
County of Riverside
State of California
(Government Code Section 66499.2)

Public Improvements \$496,500
Bond No. 391021S
Surety Indemnity Company of California
Address 500 S. Kraemer Blvd., Ste. 300
City/Zip Brea, CA 92821

Project No. PA07-0129 (TR 35606)
Premium Included
Principal Metric Homes, LLC.
Address 1442 E. Lincoln Ave. #444
City/Zip Orange, CA 92865

WHEREAS, the City Council of the City of Moreno Valley, County of Riverside, State of California, and METRIC HOMES, LLC, (hereinafter designated as "Principal") have entered into, or are about to enter into the attached agreement whereby Principal agrees to install and complete the above-designated public improvements, relating to PA07-0129 (TR 35606), which agreement is hereby referred to and made a part hereof; and,

WHEREAS, under the terms of said agreement, principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Moreno Valley to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code of the State of California.

NOW, THEREFORE, we the Principal, and the undersigned as corporate Surety, are held and firmly bound unto the City of Moreno Valley and all contractors, subcontractors, laborers, material persons and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of FOUR HUNDRED NINETY SIX THOUSAND FIVE HUNDRED AND NO/100 Dollars (**\$496,500.00**), lawful money of the United States, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, also in case suit is brought upon this bond, will pay, in addition to the face amount hereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgement therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

MATERIAL AND LABOR BOND (Page 2 of 2)
PROJECT NO. PA07-0129 (TR 35606)

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or the specifications accompanying the same shall in any manner affect its obligation on this bond, and it does hereby waive notice of any such change, extension, alteration or addition. Surety further stipulates and agrees that the provision of Section 2845 of the Civil Code are not a condition precedent to the Surety's obligations hereunder and hereby waived by the Surety.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named, on October 6, 2016.

NAME OF PRINCIPAL: METRIC HOMES, LLC
Company Name

AUTHORIZED SIGNATURE(S):
[Signature] Executive Manager
Name Title
Name Title

NAME OF SURETY: Indemnity Company of California
Company Name

AUTHORIZED SIGNATURE: [Signature]
Tammy Bates, ITS ATTORNEY-IN-FACT

ATTACH NOTARIAL ACKNOWLEDGMENT OF SIGNATURE OF PRINCIPAL AND ATTORNEY-IN-FACT.
BOND COMPANY - ATTACH POWER OF ATTORNEY

Approved as to form:
Date: 10-19-16

[Signature]
City Attorney
City of Moreno Valley

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness accuracy or validity of that document.

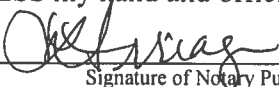
State of California
County of Riverside

On October 11, 2016 before me, Lisette Arriaga, Notary Public
(Here insert name and title of the officer)
personally appeared Jagdish M. Patel

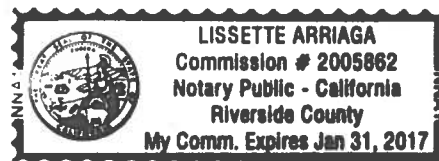
who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.


Signature of Notary Public

(Notary Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED

Bond

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages Document Date

(Additional information)

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/~~she~~/~~they~~-is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Kern)

On October 6, 2016 before me, Celestine Marie Henry, Notary Public
(insert name and title of the officer)

personally appeared Tammy Bates,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



POWER OF ATTORNEY FOR DEVELOPERS SURETY AND INDEMNITY COMPANY INDEMNITY COMPANY OF CALIFORNIA PO Box 19725, IRVINE, CA 92623 (949) 263-3300

KNOW ALL BY THESE PRESENTS that except as expressly limited, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, do each hereby make, constitute and appoint:

Tammy Bates, Pam Binns, Ronald D. Burcham, Janice E. Schneider, Wendy Ryan, jointly or severally

as their true and lawful Attorney(s)-in-Fact, to make, execute, deliver and acknowledge, for and on behalf of said corporations, as sureties, bonds, undertakings and contracts of suretyship giving and granting unto said Attorney(s)-in-Fact full power and authority to do and to perform every act necessary, requisite or proper to be done in connection therewith as each of said corporations could do, but reserving to each of said corporations full power of substitution and revocation, and all of the acts of said Attorney(s)-in-Fact, pursuant to these presents, are hereby ratified and confirmed.

This Power of Attorney is granted and is signed by facsimile under and by authority of the following resolutions adopted by the respective Boards of Directors of DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA, effective as of January 1st, 2008.

RESOLVED, that a combination of any two of the Chairman of the Board, the President, Executive Vice-President, Senior Vice-President or any Vice President of the corporations be, and that each of them hereby is, authorized to execute this Power of Attorney, qualifying the attorney(s) named in the Power of Attorney to execute, on behalf of the corporations, bonds, undertakings and contracts of suretyship; and that the Secretary or any Assistant Secretary of either of the corporations be, and each of them hereby is, authorized to attest the execution of any such Power of Attorney;

RESOLVED, FURTHER, that the signatures of such officers may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures shall be valid and binding upon the corporations when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached.

IN WITNESS WHEREOF, DEVELOPERS SURETY AND INDEMNITY COMPANY and INDEMNITY COMPANY OF CALIFORNIA have severally caused these presents to be signed by their respective officers and attested by their respective Secretary or Assistant Secretary this 18th day of April, 2016.

By: Daniel Young, Senior Vice-President

By: Mark Lansdon, Vice-President

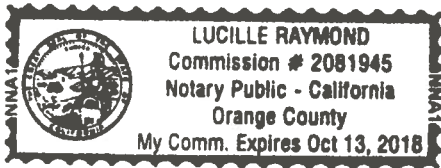


A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California County of Orange

On April 18, 2016 before me, Lucille Raymond, Notary Public

personally appeared Daniel Young and Mark Lansdon



Place Notary Seal Above

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Lucille Raymond, Notary Public

CERTIFICATE

The undersigned, as Secretary or Assistant Secretary of DEVELOPERS SURETY AND INDEMNITY COMPANY or INDEMNITY COMPANY OF CALIFORNIA, does hereby certify that the foregoing Power of Attorney remains in full force and has not been revoked and, furthermore, that the provisions of the resolutions of the respective Boards of Directors of said corporations set forth in the Power of Attorney are in force as of the date of this Certificate.

This Certificate is executed in the City of Irvine, California, this 6th day of October, 2016.

By: Cassie J. Berrisford, Assistant Secretary





Report to City Council

TO: Mayor and City Council

FROM: Marie Macias, Interim City Clerk

AGENDA DATE: January 3, 2017

TITLE: 2017 CITY COUNCIL COMMITTEE PARTICIPATION APPOINTMENTS

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Appoint Mayor Dr. Yxstian A. Gutierrez to serve as the City of Moreno Valley's 1st primary representative on the March Joint Powers Commission (MJPC).
2. Appoint Mayor Pro Tem Victoria Baca to serve as the City of Moreno Valley's 2nd primary representative on the March Joint Powers Commission (MJPC).
3. Appoint Council Member David Marquez to serve as the City of Moreno Valley's representative on the Riverside County Habitat Conservation Agency (RCHCA).
4. Appoint Mayor Pro Tem Victoria Baca to serve as the City of Moreno Valley's representative on the Riverside County Transportation Commission (RCTC).
5. Appoint Council Member David Marquez to serve as the City of Moreno Valley's representative on the Riverside Transit Agency (RTA).
6. Appoint Mayor Dr. Yxstian A. Gutierrez to serve as the City of Moreno Valley's alternate representative on the Riverside Transit Agency (RTA).
7. Appoint Mayor Dr. Yxstian A. Gutierrez to serve as the City of Moreno Valley's representative on the Western Riverside Council of Governments (WRCOG).
8. Appoint Council Member David Marquez to serve as the City of Moreno Valley's representative on the Western Riverside County Regional Conservation Authority (RCA).

9. Approve the appointments to the remaining various committees and regional bodies as noted on the 2017 Council Committee Participation – Mayor’s Recommendations List.

SUMMARY

Mayor Dr. Gutierrez compiled the 2017 Council Committee Participation List following a review of the Council Members’ preference and availability. Appointments shall be reviewed again by the Mayor subsequent to the appointment or election of a Council Member for District 4.

NOTIFICATION

The Form 806 which lists all the paid appointed positions to which an official will vote to appoint themselves was posted on the City’s website on December 22, 2016 pursuant to FPPC Regulation 18702.5.

Posting of the agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Marie Macias
Interim City Clerk

Department Head Approval:
Marie Macias
Interim City Clerk

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

ATTACHMENTS

1. 2017 Council Committee Participation
2. 2017 Committee Meeting Schedule

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/18/16 4:02 PM
City Attorney Approval	<u>✓ Approved</u>	12/22/16 8:55 AM
City Manager Approval	<u>✓ Approved</u>	12/22/16 10:01 AM

**COUNCIL MEMBER PREFERENCE COMPILATION
2017 COUNCIL COMMITTEE PARTICIPATION**

CITY COUNCIL ADVISORY COMMISSIONS/ BOARDS:

Primary

Alternate

Appointments for six months only.

Arts Commission	Baca	Marquez
Emerging Leaders Council	Gutierrez	Baca
Environmental and Historical Preservation Board	Marquez	Baca
Library Commission	Marquez	Gutierrez
Parks & Recreation Commission	Baca	Marquez
Recreational Trails Board	Marquez	
Senior Citizens' Board	Baca	Marquez
Traffic Safety Commission	Marquez	
Utilities Commission	Baca	Marquez

CITY COUNCIL SUBCOMMITTEES:

Appointments for six months only.

Economic Development Subcommittee <i>Appoint 2 Primary</i>	Baca/Gutierrez	Marquez
Finance Subcommittee <i>Appoint 2 Primary</i>	Gutierrez/Marquez	
Public Safety Subcommittee <i>Appoint 2 Primary</i>	Marquez/Baca	Gutierrez

INTER-AGENCY:

March Joint Powers Commission (JPC) <i>Appoint 2 Primary</i>	Gutierrez/Baca	
School Districts/City Joint Task Force <i>Appoint 2 Primary</i>	Marquez/Baca	
Riverside County Habitat Conservation Agency (RCHCA)	Marquez	
Riverside County Transportation Commission (RCTC)	Baca	
Riverside Transit Agency (RTA)	Marquez	Gutierrez
Western Riverside Council of Governments (WRCOG)	Gutierrez	
Western Riverside County Regional Conservation Authority (RCA)	Marquez	

Attachment: 2017 Council Committee Participation (2406 : 2017 CITY COUNCIL COMMITTEE PARTICIPATION APPOINTMENTS)

_____ Name

_____ Date

2017 MEETING SCHEDULE						
Appointing Authority	Committee	Meeting Time	Meeting Schedule	Meeting Location	Meeting Address	Stipend
CITY ADVISORY BOARDS/COMMISSIONS						
Mayor	Arts Commission	6:30 p.m.	4th Wed. of each month	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	Environmental and Historical Preservation Board	7:00 p.m.	2nd Mon. of each odd numbered month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
Mayor	Emerging Leaders	6:00 p.m.	4th Mon. of each month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
Mayor	Library Commission	7:00 p.m.	3rd Thurs. of each month	Library	25048 Alessandro Blvd. Moreno Valley	N/A
Mayor	Parks and Recreation Commission	6:00 p.m.	2nd Thurs. of each month	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	Recreational Trails Board	5:00 p.m.	4th Wed. of each odd numbered month	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	Senior Citizens' Board	3:00 p.m.	3rd Mon. of each month	Senior Community Center	25075 Fir Avenue Moreno Valley	N/A
Mayor	Traffic Safety Commission	6:00 p.m.	1st Wed. of each month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
Mayor	Utilities Commission	6:00 p.m.	4th Wed. of each month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
COUNCIL SUBCOMMITTEES						
Mayor	Economic Development Subcommittee	3:30 p.m.	2nd Thurs. of each month	Training Room	14177 Frederick Street	N/A
Mayor	Finance Subcommittee	3:30 p.m.	3rd Wed. of each month	Training Room	14177 Frederick Street	N/A
Mayor	Public Safety Subcommittee	3:30 p.m.	3rd Wed. of each month	Training Room	14177 Frederick Street	N/A
INTER-AGENCIES						
Mayor	<i>League of California Cities (LCC) Riverside County Division</i>	6:00 p.m. meeting 5:30 reception	2nd Mon. of odd numbered month	Varies	Varies	N/A
Mayor	<i>Riverside County Habitat Conservation Agency (RCHCA)</i>	11:00 a.m.	3rd Thurs. Feb, May, June, Sept, Nov	County Admin Center	4080 Lemon St., 1st Floor Board Chamber, Riverside	\$100 per meeting
Mayor	<i>Western Riverside County Regional Conservation Authority (RCA)</i>	12:30 p.m.	1st Mon. of each month	County Admin Center	4080 Lemon St., 1st Floor Board Chamber, Riverside	\$100 per meeting Mileage @ IRS rate
Mayor	<i>School Districts/City Joint Task Force</i>	3:30 p.m.	About every six weeks dates tbd	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	<i>March Joint Powers Commission (MJPC)</i>	3:00 p.m.	2nd Wed. of each month	Western Municipal Water District Office	14205 Meridian Parkway, Riverside	\$100 per meeting
		3:00 p.m.	4th Wed. of each month	Western Municipal Water District Office	14205 Meridian Parkway, Riverside	\$100 per meeting
Mayor	<i>Riverside Transit Agency (RTA) Regular Board of Directors Meeting</i>	2:00 p.m.	4th Thurs. of each month Nov, 3rd Thurs, Dec, 2nd Thurs.	County Admin Center	4080 Lemon St., 1st Floor Board Chamber, Riverside	\$150 per day \$600 cap per month
RTA	RTA Board Administration & Operations Committee	1:00 p.m.	1st Wed. of each month dark in August	RTA Office	1825 3rd Street, Riverside	\$150 per day \$600 cap per month
RTA	RTA Transportation NOW (T-NOW)	11:30 a.m.	3rd Thurs. of each month	MV-Council Chamber Perris-Council Chamber	14177 Frederick Street 101 N. D Street	\$150 per day \$600 cap per month

Attachment: 2017 Committee Meeting Schedule (2406 : 2017 CITY COUNCIL COMMITTEE PARTICIPATION

2017 MEETING SCHEDULE						
Appointing Authority	Committee	Meeting Time	Meeting Schedule	Meeting Location	Meeting Address	Stipend
INTER-AGENCIES (cont.)						
Mayor	<i>Riverside County Transportation Commission (RCTC)</i>	9:30 a.m.	2nd Wed. of each month	County Admin Center	4080 Lemon St., 1st Floor Board Chambers, Riverside	\$100 per day, 4 days a month max
RCTC	Mid County Parkway		as needed basis	County Admin Center	4080 Lemon St., 3rd Floor Riverside	\$100 per day, 4 days a month max
RCTC	RCTC Programs and Projects	1:30 p.m.	4th Mon. of each month	County Admin Center	4080 Lemon St., 1st Floor, Board Chambers, Riverside	\$100 per day, 4 days a month max
RCTC	San Jacinto Branch Line		as needed basis	County Admin Center	4080 Lemon St., 3rd Floor Riverside	\$100 per day, 4 days a month max
RCTC	State Route 91 Corridor Improvement Project Property		as needed basis	County Admin Center	4080 Lemon St., 3rd Floor Riverside	\$100 per day, 4 days a month max
Mayor	<i>Western Riverside Council of Governments Executive Committee (WRCOG)</i>	2:00 p.m.	1st Mon. of each month	County Admin Center	4080 Lemon Street, 1st Floor Board Chambers, Riverside	\$150 per meeting
WRCOG	Administration & Finance Subcommittee	12:00 p.m.	2nd Wed. of each month	County Admin Center	4080 Lemon St., 4th Floor, Conf. Room A, Riverside	\$150 per meeting
WRCOG	SCAG Regional Council	12:15 p.m.	1st Thurs. of each month	SCAG Offices	818 West 7th St., L.A.	\$120 per meeting

Attachment: 2017 Committee Meeting Schedule (2406 : 2017 CITY COUNCIL COMMITTEE PARTICIPATION



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Chief Financial Officer

AGENDA DATE: January 3, 2017

TITLE: PAYMENT REGISTER - OCTOBER 2016

RECOMMENDED ACTION

Recommendation:

1. Receive and file the Payment Register.

SUMMARY

The Payment Register is an important report providing transparency of financial transactions and payments for City activity for review by the City Council and the residents and businesses in Moreno Valley. The report is posted to the City's website as soon as it is available. The report is included in the City Council agenda as an additional means of distributing the report.

The payment register lists in alphabetical order all checks and wires in the amount of \$25,000 or greater, followed by a listing in alphabetical order of all checks and wires less than \$25,000. The payment register also includes the fiscal year-to-date (FYTD) amount paid to each vendor.

PREPARATION OF STAFF REPORT

Prepared By:
Dena Heald
Financial Operations Division Manager

Department Head Approval:
Marshall Eyerman
Chief Financial Officer/City Treasurer

CITY COUNCIL GOALS

None

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

ATTACHMENTS

- 1. October 2016 - Payment Register

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/14/16 7:53 AM
City Attorney Approval	<u>✓ Approved</u>	12/14/16 12:41 PM
City Manager Approval	<u>✓ Approved</u>	12/19/16 3:26 PM



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ALDI INC, ALDI DIST CENTER	229889	10/19/2016	MB REFUND - 10/1	PARTIAL REFUND \$60,090.24; WITHHOLDING \$5,000 DURING LD WARRANTY	\$60,090.24
Remit to: SAXONBURG, PA					<u>FYTD:</u> \$60,090.24
ALL AMERICAN ASPHALT, INC.	229890	10/24/2016	171537-Retention	CITYWIDE PAVEMENT RESURFACING CYCLE 2 - RETENTION	\$92,338.36
Remit to: CORONA, CA					<u>FYTD:</u> \$488,803.56
COMMUNITY NOW	18533	10/03/2016	2000-HSIP	SAFE ROUTES TO SCHOOL - CONSULTANT	\$26,075.20
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$26,275.20
COUNTY OF RIVERSIDE FIRE DEPT	18656	10/24/2016	232248	FIRE SERVICES CONTRACT-4TH QTR (FPARC, MV, 232248, 15/16, Q4)	\$3,596,152.62
Remit to: PERRIS, CA					<u>FYTD:</u> \$3,596,152.62



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
DMS FACILITY SERVICES	18613	10/17/2016	RC-L108097	JANITORIAL SERVICES-CITY YARD-OCT16	\$27,407.83
		10/17/2016	RC-L108095	JANITORIAL SERVICES-ANNEX 1-OCT16	
		10/17/2016	RC-L108107	JANITORIAL SERVICES-SUNNYMEAD MIDDLE/THINK-OCT16	
		10/17/2016	RC-L108094	JANITORIAL SERVICES-ANIMAL SHELTER-OCT16	
		10/17/2016	RC-L108096	JANITORIAL SERVICES-CITY HALL-OCT16	
		10/17/2016	RC-L108098	JANITORIAL SERVICES-CONF. & REC. CTR-OCT16	
		10/17/2016	RC-L108099	JANITORIAL SERVICES-EMERGENCY OPS. CTR-OCT16	
		10/17/2016	RC-L108101	JANITORIAL SERVICES-LIBRARY-OCT16	
		10/17/2016	RC-L108102	JANITORIAL SERVICES-MARCH FIELD PARK COMM. CTR-OCT16	
		10/17/2016	RC-L108103	JANITORIAL SERVICES-PUBLIC SAFETY BLDG.-OCT16	
		10/17/2016	RC-L108105	JANITORIAL SERVICES-RED MAPLE PORTABLE-OCT16	
		10/17/2016	RC-L108106	JANITORIAL SERVICES-SENIOR CTR-OCT16	
		10/17/2016	RC-L108115	JANITORIAL SERVICES-CITY YARD/SANTIAGO OFFICE-OCT16	
		10/17/2016	RC-L108108	JANITORIAL SERVICES-SUNNYMEAD ELEMENTARY-OCT16	
		10/17/2016	RC-L108109	JANITORIAL SERVICES-TOWNGATE COMMUNITY CTR-OCT16	
		10/17/2016	RC-L108110	JANITORIAL SERVICES-TRANSPORTATION TRAILER-OCT16	
		10/17/2016	RC-L108111	JANITORIAL SERVICES-COTTONWOOD GOLF CTR-OCT16	
		10/17/2016	RC-L108112	JANITORIAL SERVICES-23819 SUNNYMEAD PD SUBSTATION-OCT16	
		10/17/2016	RC-L108113	JANITORIAL SERVICES-23571 SUNNYMEAD PD SUBSTATION-OCT16	
		10/17/2016	RC-L108104	JANITORIAL SERVICES-RAINBOW RIDGE PORTABLE-OCT16	

Remit to: SOUTH PASADENA, CA

FYTD: \$131,104.40

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
EASTERN MUNICIPAL WATER DISTRICT	229738	10/03/2016	SEP-16 10/3/16	WATER CHARGES	\$62,270.02
	229797	10/10/2016	SEP-16 10/10/16	WATER CHARGES	\$39,747.23
	229832	10/17/2016	SEP-16 10/17/16	WATER CHARGES	\$70,742.87
	229895	10/24/2016	SEPT-16 10/24/16	WATER CHARGES	\$58,253.79
		10/24/2016	OCT-16 10/24/16	WATER CHARGES	
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$805,707.95

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ENCO UTILITY SERVICES MORENO VALLEY LLC	18581	10/10/2016	40-343A-01	MVU-WORK AUTHORIZATION 40-343A	\$1,013,534.07
		10/10/2016	0406-TEMP MF-118	ELECTRIC METER FEES	
		10/10/2016	40-308B-14	WORK AUTHORIZATION 40-308B	
		10/10/2016	40-317B-05	MVU-WORK AUTHORIZATION 40-317B	
		10/10/2016	40-317B-06	WORK AUTHORIZATION 40-317B	
		10/10/2016	40-318B-04	MVU-WORK AUTHORIZATION 40-318B	
		10/10/2016	40-323A-08	MVU-WORK AUTHORIZATION 40-323A	
		10/10/2016	40-328-08	MVU-WORK AUTHORIZATION 40-328	
		10/10/2016	40-328-09	WORK AUTHORIZATION 40-328	
		10/10/2016	40-333A-03	MVU-WORK AUTHORIZATION 40-333A	
		10/10/2016	40-335A-03	MVU-WORK AUTHORIZATION 40-355A	
		10/10/2016	40-335A-04	WORK AUTHORIZATION 40-335A	
		10/10/2016	0405-MTS1-SP129	ELECTRIC METER FEES	
		10/10/2016	40-349A-01	WORK AUTHORIZATION 40-349A	
		10/10/2016	40-343A-02	WORK AUTHORIZATION 40-343A	
		10/10/2016	40-344-01	MVU-WORK AUTHORIZATION 40-344	
		10/10/2016	40-345-01	MVU-WORK AUTHORIZATION 40-345	
		10/10/2016	40-346-01	MVU-WORK AUTHORIZATION 40-346	
		10/10/2016	40-342A-02	WORK AUTHORIZATION 40-342A	
		10/10/2016	40-341A-02	MVU-WORK AUTHORIZATION 40-341A	
		10/10/2016	40-347A-01	MVU-WORK AUTHORIZATION 40-347A	
		10/10/2016	40-347A-02	WORK AUTHORIZATION 40-347A	
		10/10/2016	40-348-01	MVU-WORK AUTHORIZATION 40-348	
		10/10/2016	40-348-02	WORK AUTHORIZATION 40-348	
		10/10/2016	0405-1-212	DISTRIBUTION CHARGES 6/22-7/25/16	
		10/10/2016	40-341A-03	WORK AUTHORIZATION 40-341A	
		10/10/2016	0405-MTS1-SP131	ELECTRIC METER FEES	



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

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<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ENCO UTILITY SERVICES MORENO VALLEY LLC		10/10/2016	0405-MTS1-SP130	ELECTRIC METER FEES	
		10/10/2016	0402-MF-01934A	SOLAR METER INSTALLATION	
		10/10/2016	0405-1-213	DISTRIBUTION CHARGES 7/25-8/19/16	
		10/10/2016	40-342A-01	MVU-WORK AUTHORIZATION 40-342A	
Remit to: ANAHEIM, CA					<u>FYTD:</u> \$2,234,619.99
ENERGY AMERICA, LLC	18582	10/10/2016	100007	ENERGY PURCHASE/RESOURCE ADEQUACY 9/1-10/1/16	\$64,680.00
Remit to: HOUSTON, TX					<u>FYTD:</u> \$238,920.00
EXELON GENERATION COMPANY, LLC	18619	10/17/2016	MVEU-00036A	POWER PURCHASE 9/1-9/30/16	\$888,095.20
Remit to: BALTIMORE, MD					<u>FYTD:</u> \$3,662,474.00
HABITAT FOR HUMANITY RIVERSIDE	18623	10/17/2016	DRAW NO. 36	NSP1-8 SINGLE FAMILY HOMES-24265 MYERS AVE	\$80,588.89
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$140,592.63
HDR ENGINEERING, INC	18624	10/17/2016	1200012352	DESIGN SERVICES-KITCHING ST SUBSTATION/SWITCHYARD 6/26-8/20/16	\$130,503.88
Remit to: CHICAGO, IL					<u>FYTD:</u> \$251,393.92
JDH CONTRACTING	18666	10/24/2016	101116-01	EXTERIOR WALKWAY COVER IMPROVEMENT-COTTONWOOD GOLF CTR	\$29,243.00
		10/24/2016	101816-01	INSTALL VENT COVERS-COTTONWOOD GOLF CTR	
		10/24/2016	101816-02	INSTALL FOLDING STORAGE DOORS-COTTONWOOD GOLF CTR	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$121,226.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



**City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016**

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
LIBRARY SYSTEMS & SERVICES, LLC	18629	10/17/2016	SI-001168	LIBRARY CONTRACTUAL SERVICES & MATERIALS-OCT16	\$124,648.91
		10/17/2016	SI-001172	LIBRARY I.T. SERVICES-OCT16	
Remit to: ROCKVILLE, MD					<u>FYTD:</u> \$509,455.32
LOZANO SMITH, LLP	229749	10/03/2016	2010583	LEGAL SERVICES-AUG 2016-RE: WLC PROJECT	\$37,133.00
		10/03/2016	2010584	LEGAL SERVICES-AUG 2016-RE: WLC PROJECT	
Remit to: FRESNO, CA					<u>FYTD:</u> \$141,086.89
MAR-CO EQUIPMENT COMPANY	18698	10/31/2016	135968	1 UNIT FREIGHLINER M2-112 STREET SWEEPER TYMCO MODEL 500X	\$711,228.44
		10/31/2016	135967	1 UNIT FREIGHLINER M2-112 STREET SWEEPER TYMCO MODEL 500X	
Remit to: POMONA, CA					<u>FYTD:</u> \$711,228.44
MARIPOSA HORTICULTURAL ENTERPRISES, INC.	18699	10/31/2016	74422	LANDSCAPE MAINT.-SD LMD ZN 02-SEP 2016	\$25,393.78
		10/31/2016	74459	LANDSCAPE MAINT.-ZONE D-SEP 2016	
Remit to: IRWINDALE, CA					<u>FYTD:</u> \$182,107.62
MERCHANTS LANDSCAPE SERVICES INC	18590	10/10/2016	48330	LANDSCAPE MAINT.-SD LMD ZN 04-JUL 2016	\$32,918.83
		10/10/2016	48329	LANDSCAPE MAINT.-SD LMD ZN 03 & 03A-JUL 2016	
		10/10/2016	48331	LANDSCAPE MAINT.-ZONES E-8, SD LMD ZN 05, 06 & 07-JUL 2016	
		10/10/2016	48251	IRRIGATION REPAIRS-SD LMD ZN 03 & 04-JUL 2016	
		10/10/2016	48139	LANDSCAPE MAINT.-ZONES M & S-JUL 2016	
Remit to: MONTEREY PARK, CA					<u>FYTD:</u> \$85,598.35

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



**City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016**

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
MESA FENCE CO, INC.	229932	10/31/2016	5291	INSTALLATION OF METAL SHEETS TO SECURE CITY YARD/SANTIAGO FENCE	\$25,100.00
Remit to: PERRIS, CA					FYTD: \$27,735.00
MORENO VALLEY UTILITY	229750	10/03/2016	OCT-16 10/3/16	ELECTRICITY CHARGES	\$91,247.29
Remit to: HEMET, CA					FYTD: \$363,719.58
PERS HEALTH INSURANCE	18606	10/07/2016	W161001	EMPLOYEE HEALTH INSURANCE	\$197,601.95
Remit to: SACRAMENTO, CA					FYTD: \$776,074.84
RSI MORENO VALLEY, LLC	229788	10/03/2016	TR 27251-1	RELEASE GRADING & EROSION CONTROL SECURITY DEPOSIT	\$30,000.00
Remit to: NEWPORT BEACH, CA					FYTD: \$43,750.00
SOUTHERN CALIFORNIA EDISON 1	229807	10/10/2016	7500710446	WDAT CHARGES-MVU/SUBSTATION 115KV INTERCONNECTION-AUG16	\$69,843.10
		10/10/2016	7500710445	WDAT CHARGES-MVU/FREDERICK AVE.-AUG16	
		10/10/2016	7500710449	WDAT CHARGES-MVU/24417 NANDINA AVE. SUBSTATION-AUG16	
		10/10/2016	7500710444	WDAT CHARGES-MVU/NANDINA AVE.-AUG16	
		10/10/2016	7500710442	WDAT CHARGES-MVU/GRAHAM ST.-AUG16	
		10/10/2016	7500710441	WDAT CHARGES-MVU/IRIS AVE.-AUG16	
		10/10/2016	7500710443	WDAT CHARGES-MVU/GLOBE ST.-AUG16	
	229847	10/17/2016	SEP-16 10/17/16	ELECTRICITY CHARGES	\$116,569.25
		10/17/2016	587-9520/SEP-16	ELECTRICITY-FERC CHARGES/MVU	
		10/17/2016	721-3449/SEP-16	IFA CHARGES-SUBSTATION	
		10/17/2016	707-6081/SEP-16	ELECTRICITY CHARGES	
	229902	10/24/2016	SEP-16 10/24/16	ELECTRICITY CHARGES	\$68,341.73
Remit to: ROSEMEAD, CA					FYTD: \$1,211,509.58

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
STEVEN B. QUINTANILLA A PROFESSIONAL CORPORATION	18565	10/03/2016	JUN-2016	INTERIM CITY ATTORNEY LEGAL SERVICES 6/1-6/30/16	\$47,237.50
Remit to: RANCHO MIRAGE, CA					<u>FYTD:</u> \$131,587.50
TENASKA ENERGY, INC	18567	10/03/2016	MOREN0020160922	ELECTRICITY POWER PURCHASE FOR MV UTILITY	\$67,608.21
Remit to: ARLINGTON, TX					<u>FYTD:</u> \$123,215.79
THE ADVANTAGE GROUP/ FLEX ADVANTAGE	18600	10/10/2016	201610	RETIREE MEDICAL BENEFIT BILLING - OCTOBER 2016	\$49,640.19
Remit to: TEMECULA, CA					<u>FYTD:</u> \$185,957.15
THINK TOGETHER, INC	18601	10/10/2016	111-16/17-3	ASES PROGRAM MANAGEMENT SERVICES-INSTALLMENT #3	\$494,890.00
Remit to: SANTA ANA, CA					<u>FYTD:</u> \$1,489,350.00
TW NETWORKX	229906	10/24/2016	16MV001	FIBER OPTIC FUSION SPLICING FOR NASON/MVU JOB	\$37,240.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$37,240.00
U.S. BANK/CALCARDS	18569	10/03/2016	09-27-16	CALCARD ACTIVITY - SEPT. 2016	\$211,165.77
Remit to: ST. LOUIS, MO					<u>FYTD:</u> \$943,578.84
VANCE CORPORATION	18678	10/24/2016	Reche-10	RECHE VISTA REALIGNMENT - CONSTRUCTION SERVICES	\$190,496.91
Remit to: RIALTO, CA					<u>FYTD:</u> \$981,384.33
VASQUEZ & COMPANY LLP	18715	10/31/2016	2160768-IN	AUDIT SVCS-CITY FINANCIAL STMTS. FOR FY15/16-4TH PROGRESS BILLNG	\$30,000.00
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$73,058.75

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS IN THE AMOUNT OF \$25,000 OR GREATER

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
WELLS FARGO CORPORATE TRUST	18649	10/14/2016	W161005	DEBT SERVICE-2015 TAXABLE LRB	\$382,382.72
	18650	10/14/2016	W161004	DEBT SERVICE-2014 REF OF 2005 LRB	\$564,107.01
	18651	10/14/2016	W161002	DEBT SERVICE-2007 TAXABLE LRB	\$640,379.35
	18652	10/14/2016	W161003	DEBT SERVICE-2013 REF OF 2005 LRB	\$1,461,125.00
Remit to: MINNEAPOLIS, MN					<u>FYTD:</u> \$4,317,014.48
WILLDAN ENGINEERING	18573	10/03/2016	002-16983	PLAN CHECK & INSPECTION SERVICES FOR BLDG. & SAFETY-JUL16	\$33,674.95
	18646	10/17/2016	002-17056	PLAN CHECK & INSPECTION SERVICES FOR BLDG. & SAFETY-AUG16	\$32,075.55
Remit to: ANAHEIM, CA					<u>FYTD:</u> \$314,885.53
WRCOG WESTERN RIVERSIDE CO. OF GOVTS.	229854	10/17/2016	SEP-2016 TUMF	TUMF FEES COLLECTED FOR 9/1-9/30/16 (RESIDENTIAL)	\$212,952.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$1,867,508.42
TOTAL AMOUNTS OF \$25,000 OR GREATER					\$12,224,724.60



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
4MD MEDICAL SOLUTIONS LLC	229791	10/10/2016	133345	MEDICAL SURGERY LIGHTS-VET CLINIC	\$17,534.47
Remit to: LAKEWOOD, NJ					<u>FYTD:</u> \$17,534.47
A. M. BEST COMPANY, INC	18681	10/31/2016	3159708	2016 BEST KEY RATING GUIDE	\$601.77
Remit to: PHILADELPHIA, PA					<u>FYTD:</u> \$601.77
ABILITY COUNTS, INC	18575	10/10/2016	ACI112647	LANDSCAPE MAINT-CFD#1-JUL16	\$6,195.00
		10/10/2016	ACI112723	LANDSCAPE MAINT-CFD#1-AUG16	
		10/10/2016	ACI112776	LANDSCAPE MAINT-CFD#1-SEPT16	
Remit to: CORONA, CA					<u>FYTD:</u> \$10,325.00
ABUDA, ETHEL	229945	10/31/2016	R16-100646	ANIMAL SHELTER REFUND-SPAY/NEUTER AND RABIES DEPOSITS	\$95.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$95.00
ADLERHORST INTERNATIONAL INC.	18529	10/03/2016	73324	MONTHLY K-9 TRAINING-SEPT16	\$525.00
		10/31/2016	73430	MONTHLY K-9 TRAINING-OCT16	\$525.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$2,366.76
ADMINSURE	229729	10/03/2016	9620	WORKERS' COMP CLAIMS ADMINISTRATION-OCT16	\$2,175.00
		10/31/2016	9690	WORKERS' COMP CLAIMS ADMINISTRATION-NOV16	\$2,175.00
Remit to: DIAMOND BAR, CA					<u>FYTD:</u> \$10,875.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



**City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016**

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ADVANCE REFRIGERATION & ICE SYSTEMS, INC	18607	10/17/2016	41566	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 2	\$7,021.07
		10/17/2016	41570	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 65	
		10/17/2016	41564	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 48	
		10/17/2016	41558	NEW ICE MACHINE-SENIOR CENTER	
		10/17/2016	41563	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 6	
		10/17/2016	41565	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 58	
		10/17/2016	41571	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 99	
		10/17/2016	41572	ICE MACHINE MAINT & WATER FILTER-CRC	
		10/17/2016	41573	ICE MACHINE MAINT & WATER FILTER-PSB	
		10/17/2016	41909	ICE MACHINE MAINT & WATER FILTER-COTTONWOOD GOLF CTR	
		10/17/2016	41910	ICE MACHINE MAINT & WATER FILTER-TOWNGATE COMMUNITY CTR	
		10/17/2016	41567	ICE MACHINE MAINT & WATER FILTER-FIRE STATION 91	
		10/17/2016	41569	ICE MACHINE MAINT & WATER FILTER (2)-CITY YARD	
Remit to: RIVERSIDE, CA					FYTD: \$7,517.79
ADVANCED ELECTRIC	229730	10/03/2016	12096	ELECTRICAL REPAIR-VISTA LOMAS PARK	\$576.96
		10/03/2016	12097	ELECTRICAL REPAIR-SHADOW MOUNTAIN PARK	
		10/03/2016	12099	ELECTRICAL REPAIR-TOWNGATE PARK	
		10/03/2016	12110a	ELECTRICAL REPAIRS-FIRE STATION 91 BREAKER & GFI	
	229828	10/17/2016	12104	INSTALLED LED LIGHTS AT ANIMAL SHELTER SURGERY ROOM	\$1,410.96
	229914	10/31/2016	12094	ELECTRICAL SERVICES-FIRE STATIONS 2, 6, 48 & 91 BIG BAY REELS	\$23,162.00
		10/31/2016	12093	RESTROOMS ELECTRICAL IMPROVEMENTS-WESTON & WOODLAND PARKS	
	10/31/2016	12076	ELECTRICAL REPAIRS-COTTONWOOD GOLF COURSE STAGE		
Remit to: RIVERSIDE, CA					FYTD: \$87,631.07

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



**City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016**

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ADVANTAGE GRAPHICS AND PROMOTIONS	18683	10/31/2016	12373	NOTICE OF PARKING VIOLATION CITATIONS	\$1,293.19
Remit to: DANA POINT, CA					FYTD: \$1,293.19
AEI-CASC ENGINEERING	18653	10/24/2016	0036276	PLAN CHECK SVCS-PWQMP	\$3,630.75
Remit to: COLTON, CA					FYTD: \$16,242.20
AEROTEK, INC.	18530	10/03/2016	OP06641721	TEMPORARY STAFFING-FIRE PREV. (TS-ACP) 9/12-9/16/16 (V. ADAMS)	\$1,326.08
		10/03/2016	OP06628046	TEMPORARY STAFFING-FIRE PREV. (TS-ACP) 9/4-9/9/16 (V. ADAMS) (
	18608	10/17/2016	OP06655892	TEMPORARY STAFFING-FIRE PREV. (TS-ACP) 9/19-9/23/16 (V. ADAMS)	\$663.04
Remit to: CHICAGO, IL					FYTD: \$11,713.64
AIR EXCHANGE INC	18576	10/10/2016	38885	PLYMOVENT MAINT & REPAIR-FIRE STATION 91	\$435.32
		10/10/2016	38919	PLYMOVENT MAINT & REPAIR-FIRE STATION 91	
Remit to: FAIRFIELD, CA					FYTD: \$818.93
ALDI, INC.	229815	10/10/2016	MVU 7014047-01	PBI SOLAR REBATE INCENTIVE	\$17,970.24
Remit to: MORENO VALLEY, CA					FYTD: \$87,314.20
ALICEA, ALICE	229772	10/03/2016	R16-101419	ANIMAL SHELTER REFUND-SPAY/NEUTER DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					FYTD: \$75.00
ALLIANT INSURANCE SERVICES	229891	10/24/2016	7/1-9/30/16	SPECIAL EVENT INSURANCE	\$8,525.75
Remit to: NEWPORT BEACH, CA					FYTD: \$16,214.77

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ALVARADO, MARIA	229946	10/31/2016	1407472	COTTONWOOD GOLF CTR. RENTAL REFUND DEPOSIT	\$200.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$200.00
AM CONSERVATION GROUP INC	18654	10/24/2016	0209563-IN	LED SENSOR NIGHTLIGHTS (500 UNITS)-PUBLIC POWER WEEK PROMO ITEMS	\$1,355.41
Remit to: CHARLESTON, SC					<u>FYTD:</u> \$1,355.41
AMERICAN FORENSIC NURSES	18609	10/17/2016	68434	PHLEBOTOMY SERIVCES	\$1,200.00
		10/17/2016	68455	PHLEBOTOMY SERIVCES	
	18684	10/31/2016	68510	PHLEBOTOMY SERVICES	\$1,480.00
		10/31/2016	68492	PHLEBOTOMY SERVICES	
Remit to: LA QUINTA, CA					<u>FYTD:</u> \$10,235.00
AMERICAN PUBLIC POWER ASSOCIATION	229792	10/10/2016	284529	ONE-YEAR ERELIABILITY TRACKER SUBSCRIPTION	\$252.00
Remit to: BOSTON, MA					<u>FYTD:</u> \$252.00
AMERICAN TRAFFIC PRODUCTS	229915	10/31/2016	16-18940	TRAFFIC PAINT SUPPLIES	\$596.59
Remit to: FONTANA, CA					<u>FYTD:</u> \$19,894.51
ANDERSON, VALERIE	229860	10/17/2016	1404237	TOWNGATE COMM. CTR. RENTAL REFUND DEPOSIT	\$200.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$200.00
ANIMAL EMERGENCY CLINIC, INC.	18532	10/03/2016	JUL 2016 (146BO)	AFTER HOURS EMERGENCY VET SVCS-MV ANIMAL SHELTER	\$160.00
		10/03/2016	AUG 2016 (146BS)	AFTER HOURS EMERGENCY VET SVCS-MV ANIMAL SHELTER	
	18610	10/17/2016	146BU	AFTER HOURS EMERGENCY VET SVCS-MV ANIMAL SHELTER	\$40.00
Remit to: GRAND TERRACE, CA					<u>FYTD:</u> \$590.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
APPLE ONE EMPLOYMENT SERVICES	18577	10/10/2016	01-4219240	TEMPORARY STAFFING-FINANCIAL OP'S. 9/20-9/23/16 (R. DE LEON)	\$569.52
Remit to: GLENDALE, CA					<u>FYTD:</u> \$9,091.98
AT&T MOBILITY	229731	10/03/2016	872455379X090616	CELLULAR PHONE SVC-PD MOBILE COMMAND CTR	\$98.80
Remit to: CAROL STREAM, IL					<u>FYTD:</u> \$296.40
AX, JACQUELINE	229861	10/17/2016	1404234	COTTONWOOD GOLF CTR. RENTAL REFUND DEPOSIT	\$200.00
Remit to: IRVINE, CA					<u>FYTD:</u> \$200.00
BAPTISTE, KANDACE	229909	10/24/2016	11/1-11/3/16	TRAVEL PER DIEM & MILEAGE-EXECUTIVE LEADERSHIP SUPPORT FORUM	\$175.70
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$175.70
BARCENAS BROTHERS, INC.	229862	10/17/2016	MVA040001145	REFUND-PARKING CITATION OVERPAYMENT	\$118.50
Remit to: ATWATER, CA					<u>FYTD:</u> \$118.50
BARKSDALE, KENNECIA	229863	10/17/2016	R16-100755	ANIMAL SHELTER REFUND-SPAY/NEUTER DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$75.00
BENITEZ, EMMA	229947	10/31/2016	R16-102089	ANIMAL SHELTER REFUND-SPAY/NEUTER DEPOSIT	\$75.00
Remit to: COLTON, CA					<u>FYTD:</u> \$75.00
BENTLEY, KARLA	229948	10/31/2016	R16-101722	ANIMAL SHELTER REFUND-SPAY/NEUTER AND RABIES DEPOSITS	\$95.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$95.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
BIO-TOX LABORATORIES	229732	10/03/2016	32737	BLOOD TOXICOLOGY ANALYSIS	\$7,885.92
		10/03/2016	32738	BLOOD TOXICOLOGY ANALYSIS	
	229916	10/31/2016	32893	BLOOD TOXICOLOGY ANALYSIS	\$6,679.98
		10/31/2016	32894	BLOOD TOXICOLOGY ANALYSIS	
Remit to: RIVERSIDE, CA					FYTD: \$58,191.82
BMW MOTORCYCLES OF RIVERSIDE	18685	10/31/2016	6014250	CREDIT ON RETURNED PARTS- INV# 6014224	\$7,013.15
		10/31/2016	6014728	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
		10/31/2016	6014520	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
		10/31/2016	6014605	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
		10/31/2016	6014539	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
		10/31/2016	6014724	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
Remit to: RIVERSIDE, CA					FYTD: \$16,164.48
BOB MURRAY & ASSOCIATES	229733	10/03/2016	6820	PROFESSIONAL SVCS-EXECUTIVE RECRUITMENT FOR CITY ATTY.	\$23,128.51
		10/03/2016	6895	PROFESSIONAL SVCS-EXECUTIVE RECRUITMENT FOR CITY ATTY.	
		10/03/2016	6920	PROFESSIONAL SVCS-EXECUTIVE RECRUITMENT FOR CITY CLERK	
		10/03/2016	6863	PROFESSIONAL SVCS-EXECUTIVE RECRUITMENT FOR CITY ATTY.	
	229917	10/31/2016	6963	PROFESSIONAL SVCS-EXECUTIVE RECRUITMENT FOR CITY CLERK	\$4,886.63
		10/31/2016	6985	PROFESSIONAL SVCS-EXECUTIVE RECRUITMENT FOR CITY ATTY.	
		Remit to: ROSEVILLE, CA			

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register

For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
BOX SPRINGS MUTUAL WATER COMPANY	229734	10/03/2016	204-9 8/26/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	\$272.00
		10/03/2016	80-4 8/26/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/03/2016	45-4 8/26/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/03/2016	1086-1 8/26/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/03/2016	1088-1 8/26/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/03/2016	1085-1 8/26/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/03/2016	189-13 8/26/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/03/2016	1087-1 8/26/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/03/2016	195-5 8/26/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
	10/03/2016	1084-1 8/26/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY		

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
BOX SPRINGS MUTUAL WATER COMPANY	229793	10/10/2016	45-4 9/28/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	\$287.40
		10/10/2016	189-13 9/28/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/10/2016	1087-1 9/28/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/10/2016	1084-1 9/28/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/10/2016	1085-1 9/28/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/10/2016	1088-1 9/28/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/10/2016	1086-1 9/28/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/10/2016	195-5 9/28/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/10/2016	204-9 9/28/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
		10/10/2016	80-4 9/28/16	WATER ASSESSMENT ON VACANT LOT OWNED BY THE HOUSING AUTHORITY	
	229918	10/31/2016	721-1 9/28/16	WATER USAGE-ZONE 01 TOWNGATE	\$197.22
Remit to: MORENO VALLEY, CA					FYTD: \$2,242.20
BRAUN BLAISING MCLAUGHLIN	229794	10/10/2016	16221	LEGAL SERVICES-MV UTILITY-JUL16	\$7,809.55
		10/10/2016	16265	LEGAL SERVICES-MV UTILITY-AUG16	
Remit to: SACRAMENTO, CA					FYTD: \$15,244.77
BRIGHT ANGELS AT HEART	229864	10/17/2016	11/3/16 EVENT	REGIS.-AUTISM AWARENESS CAMPAIGN DINNER	\$100.00
Remit to: MORENO VALLEY, CA					FYTD: \$100.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
BULMARO, SALAS	229773	10/03/2016	#4082 9/24/16	REIMB.-IRRIGATOR TECHNICAL REPAIR TECHNICIAN MEMBERSHIP	\$100.00
Remit to: RIVERSIDE, CA					FYTD: \$100.00
BUREAU OF OFFICE SERVICES, INC	18611	10/17/2016	87499	TRANSCRIPTION SERVICES-SEPT16	\$929.00
		10/17/2016	87502	TRANSCRIPTION SERVICES-AUG16	
Remit to: BURR RIDGE, IL					FYTD: \$2,095.38
BUREAU VERITAS NORTH AMERICA, INC	18655	10/24/2016	1337607	CONSULTANT PLAN CHECK SVCS-PA13-0011-JUN16	\$2,615.92
		10/24/2016	1337655	CONSULTANT PLAN CHECK SVCS-PA14-0031 4/1-7/31/16	
Remit to: LOS ANGELES, CA					FYTD: \$2,615.92
BURKE, WILLIAMS & SORENSEN, LLP.	229829	10/17/2016	205832	LEGAL REVIEW SVCS. FOR SALES TAX ALLOCATION ISSUES-AUG16	\$520.00
Remit to: LOS ANGELES, CA					FYTD: \$4,294.57
C F & D CORPORATION	18578	10/10/2016	18956	BOX SPRINGS GROUND LEASE FOR TOWER SITE	\$19,788.00
Remit to: RIVERSIDE, CA					FYTD: \$19,788.00
CAIN, KELLY	229774	10/03/2016	R16-099635	ANIMAL SHELTER REFUND-SPAY/NEUTER AND RABIES DEPOSITS	\$95.00
Remit to: MORENO VALLEY, CA					FYTD: \$95.00
CALIFORNIA BUILDING STANDARDS COMMISSION	229892	10/24/2016	3RD QTR 2016	SB 1473 FEES COLLECTED FOR 7/1-9/30/16	\$1,216.80
Remit to: SACRAMENTO, CA					FYTD: \$2,214.00
CAREER CARE INSTITUTE	229949	10/31/2016	1406425	CONFERENCE AND RECREATION CTR. RENTAL REFUND DEPOSIT	\$500.00
Remit to: MORENO VALLEY, CA					FYTD: \$500.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



**City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016**

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
CARTER , SABRINA	229865	10/17/2016	R16-101792	ANIMAL SHELTER REFUND-SPAY/NEUTER DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					FYTD: \$75.00
CHANCE, JENNIFER	229775	10/03/2016	1400103	COTTONWOOD GOLF CTR. RENTAL REFUND DEPOSIT	\$200.00
Remit to: MORENO VALLEY, CA					FYTD: \$200.00
CHANCY, CHIZURU	229919	10/31/2016	SEP-2016	INSTRUCTOR SERVICES-HAWAIIAN/TAHITIAN DANCE/COMPETITION CLASSES	\$341.40
		10/31/2016	OCT-2016	INSTRUCTOR SERVICES-HAWAIIAN/TAHITIAN DANCE/COMPETITION CLASSES	
		10/31/2016	AUG-2016	INSTRUCTOR SERVICES-HAWAIIAN/TAHITIAN DANCE/COMPETITION CLASSES	
Remit to: MORENO VALLEY, CA					FYTD: \$484.80
CHANDLER ASSET MANAGEMENT, INC	18612	10/17/2016	1609MORENOVA	INVESTMENT MANAGEMENT SVCS-SEPT16	\$4,212.68
Remit to: SAN DIEGO, CA					FYTD: \$16,847.10
CHARLES ABBOTT ASSOCIATES, INC	18686	10/31/2016	56209	CONSULTING SVCS-NPDES/SWMP-SEPT16	\$14,172.00
Remit to: MISSION VIEJO, CA					FYTD: \$62,931.00
CHELBANA, TOM	229816	10/10/2016	1402382	TOWNGATE COMM. CTR. RENTAL REFUND DEPOSIT	\$200.00
Remit to: MORENO VALLEY, CA					FYTD: \$200.00
CHENG, ANDREW	229814	10/10/2016	10/16-10/20/16	TRAVEL PER DIEM & MILEAGE-EMERG. MGMT. TRAINING/EARTHQUAKE CLASS	\$585.00
Remit to: CORONA, CA					FYTD: \$585.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
CITY OF SAN JACINTO	229893	10/24/2016	4980	1/9 SHARE OF INVOICE #4-RE: POLICE SVCS. JPA FEASIBILITY STUDY	\$3,466.67
Remit to: SAN JACINTO, CA					<u>FYTD:</u> \$8,867.55
COGENT COMMUNICATIONS, INC	18579	10/10/2016	1012016	SECONDARY INTERNET CONNECTION 10/1-10/31/16	\$1,676.00
Remit to: BALTIMORE, MD					<u>FYTD:</u> \$9,607.22
COLONIAL SUPPLEMENTAL INSURANCE	229735	10/03/2016	7133069-0901304	SUPPLEMENTAL INSURANCE	\$11,433.82
		10/03/2016	7133069-1001583	SUPPLEMENTAL INSURANCE	
Remit to: COLUMBIA, SC					<u>FYTD:</u> \$23,176.94
COMPLETE DOOR SYSTEMS	229950	10/31/2016	BL#13058-YR2016	REFUND OF OVERPAYMENT FOR BL#13058	\$68.00
Remit to: CHINO, CA					<u>FYTD:</u> \$68.00
CONCEPTS, INC, UNDERLINE	229866	10/17/2016	B1602921	REFUND REQUEST- WATER BOTTLE CHARGED BY MISTAKE	\$1.00
Remit to: CANYON LAKE, CA					<u>FYTD:</u> \$1.00
CONRAD, LUDMILLA	229776	10/03/2016	R16-101912	ANIMAL SHELTER REFUND-SPAY/NEUTER DEPOSIT	\$75.00
	229817	10/10/2016	R16-101912	ANIMAL SHELTER REFUND-RABIES DEPOSIT	\$20.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$95.00
CONTRERAS, MARIA L	229867	10/17/2016	MV4150213019	REFUND-PARKING CITATION OVERPAYMENT	\$115.00
Remit to: COMPTON, CA					<u>FYTD:</u> \$115.00
COUNSELING TEAM, THE	229736	10/03/2016	32111	EMPLOYEE ASSISTANCE PROGRAM-AUG16	\$2,500.00
		10/03/2016	31556	EMPLOYEE ASSISTANCE PROGRAM-JUL16	
Remit to: SAN BERNARDINO, CA					<u>FYTD:</u> \$11,300.00



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
COUNTRY SQUIRE ESTATES	229894	10/24/2016	SEPT 2016	REFUNDS - UTILITY USER'S TAX	\$53.01
Remit to: ONTARIO, CA					FYTD: \$205.88
COUNTY OF RIVERSIDE	229830	10/17/2016	16-326460	RECORDATION NOTICE OF SPECIAL TAX LIEN	\$86.50
		10/17/2016	16-323480	MAP RECORDING FEES	
	229831	10/17/2016	IT0000000131	TRAFFIC MOTOR RADIO COMMUNICATIONS FOR PD-AUG16	\$2,671.24
	229855	10/17/2016	1052016	APPLICATION FEE-SMOKE SHOP MUN. CODE AMENDMENT REVIEW	\$375.00
	229920	10/31/2016	2135	CERTIFICATION OF REGISTERED VOTERS	\$35.00
Remit to: RIVERSIDE, CA					FYTD: \$32,947.11
COUNTY OF RIVERSIDE 1	229737	10/03/2016	PU0000003836	STATION JANITORIAL SUPPLIES	\$2,316.66
	229768	10/03/2016	PU0000003811	STATION JANITORIAL SUPPLIES	\$793.06
Remit to: MORENO VALLEY, CA					FYTD: \$4,862.66
CRIME SCENE STERI-CLEAN, LLC	18534	10/03/2016	36161	BIO HAZARD REMOVAL SERVICE	\$1,500.00
		10/03/2016	36165	BIO HAZARD REMOVAL SERVICE	
Remit to: RANCHO CUCAMONGA, CA					FYTD: \$5,250.00
CRUZ, ROSALINDA	229777	10/03/2016	1398360 1398361	TOWNGATE COMM. CTR. RENTAL CANCELLED EVENT RETURN BALANCE DUE	\$957.00
Remit to: MORENO VALLEY, CA					FYTD: \$957.00
CUTWATER INVESTOR SERVICES CORP	18580	10/10/2016	21134A	INVESTMENT MANAGEMENT SVCS-AUG16	\$2,750.90
Remit to: DENVER, CO					FYTD: \$8,249.06
D&D SERVICES DBA D&D DISPOSAL, INC.	229921	10/31/2016	13341	DECEASED ANIMAL REMOVAL SVC-SEPT16	\$745.00
Remit to: VALENCIA, CA					FYTD: \$2,980.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
DAVIS, CINDY	229868	10/17/2016	1403691	CONFERENCE AND REC. CTR. RENTAL REFUND DEPOSIT	\$750.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$750.00
DE ALMEIDA, ALLISON	229778	10/03/2016	R16-102348	ANIMAL SHELTER REFUND-ADOPT RET,CHIP,VACS	\$67.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$67.00
DECKERS OUTDOOR CORPORATION	18657	10/24/2016	QTR ENDING JUN16	QUARTERLY SALES TAX PAYMENT PER OPERATING COVENANT AGREEMENT	\$5,960.40
Remit to: GOLETA, CA					<u>FYTD:</u> \$14,455.80
DELTA DENTAL OF CALIFORNIA	18535	10/03/2016	BE001783772	EMPLOYEE DENTAL INSURANCE-PPO	\$22,302.97
		10/03/2016	BE001817948	EMPLOYEE DENTAL INSURANCE-PPO	
Remit to: SAN FRANCISCO, CA					<u>FYTD:</u> \$43,072.42
DELTACARE USA	18536	10/03/2016	BE001784647	EMPLOYEE DENTAL INSURANCE-HMO	\$10,008.39
		10/03/2016	BE001818828	EMPLOYEE DENTAL INSURANCE-HMO	
Remit to: DALLAS, TX					<u>FYTD:</u> \$19,758.15
DEPARTMENT OF CONSERVATION	229795	10/10/2016	3RD QTR 2016	SMI FEES REPORT FOR QUARTER ENDING 9/30/16	\$4,871.14
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$7,609.72
DIGITAL TELECOMMUNICATIONS CORP.	18537	10/03/2016	24885	VOICEMAIL SOFTWARE ANNUAL SUPPORT & MAINTENANCE	\$12,100.00
Remit to: SANTA CLARITA, CA					<u>FYTD:</u> \$12,100.00
DIVISION OF THE STATE ARCHITECT	229796	10/10/2016	3RD QTR 2016	STATE PORTION-DISABILITY ACCESS AND EDUCATION FEE REPORT	\$159.00
Remit to: SACRAMENTO, CA					<u>FYTD:</u> \$495.90

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



**City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016**

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
DMS FACILITY SERVICES	18538	10/03/2016	RC-L107866	JANITORIAL SERVICES-23819 SUNNYMEAD PD SUBSTATION-SEP16	\$2,462.50
		10/03/2016	RC-L107867	JANITORIAL SERVICES-23571 SUNNYMEAD PD SUBSTATION-SEP16	
		10/03/2016	L41067	DEEP CLEANING OF CARPETS AT GANG TASK FORCE OFFICE-JUN16	
		10/03/2016	L41453	SPECIAL CLEANINGS FOR AUG 2016 EVENT RENTALS-SENIOR CTR	
		10/03/2016	L41714	SPECIAL CLEANINGS FOR SEP 2016 EVENT RENTALS-COTTONWOOD GOLF CTR	
		10/03/2016	L41451	SPECIAL CLEANINGS FOR AUG 2016 EVENT RENTALS-CONF. & REC. CTR	
	18658	10/24/2016	L41785	SPECIAL CLEANING FOR SEPT. 2016 EVENT RENTALS-TOWNGATE COMM. CTR	\$250.00
18687	10/31/2016	L41783	SPECIAL CLEANINGS FOR SEPT. 2016 EVENT RENTALS-SENIOR CTR	\$400.00	
Remit to: SOUTH PASADENA, CA					FYTD: \$131,104.40
DRAYTON, TAMI JANOHNE	18614	10/17/2016	SEP-2016	INSTRUCTOR SERVICES-LINE DANCING CLASS	\$140.88
	18659	10/24/2016	OCT-2016	INSTRUCTOR SERVICES-LINE DANCING CLASS	\$187.20
Remit to: MORENO VALLEY, CA					FYTD: \$558.48
DUVAL, ROBERTA	18660	10/24/2016	OCT-2016	INSTRUCTOR SERVICES-CPR & FIRST AID CLASS	\$235.20
Remit to: SUN CITY, CA					FYTD: \$1,200.00
E.R. BLOCK PLUMBING & HEATING, INC.	18615	10/17/2016	121614	BACKFLOW DEVICE TESTS-VARIOUS LOCATIONS	\$7,057.00
		10/17/2016	121990	REPLACED BACKFLOW DEVICE-ZONE D	
		10/17/2016	121991	REPLACED BACKFLOW DEVICE-ZONE E-7	
		10/17/2016	121593	REPLACED BACKFLOW DEVICE-ZONE M	
		10/17/2016	121592	REPLACED BACKFLOW DEVICE-ZONE D	
	10/17/2016	121594	REPLACED BACKFLOW DEVICE-SD LMD ZN 02-HS		
Remit to: RIVERSIDE, CA					FYTD: \$28,835.58

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
EASTERN MUNICIPAL WATER DISTRICT	229922	10/31/2016	OCT-16 10/31/16	WATER CHARGES	\$19,683.55
Remit to: LOS ANGELES, CA					FYTD: \$805,707.95
EDGELANE MOBILE HOME PARK	18688	10/31/2016	OCT 2016	REFUNDS - UTILITY USER'S TAX	\$1.69
Remit to: LOS ANGELES, CA					FYTD: \$8.39
EDGEMONT COMMUNITY SERVICES DISTRICT	229739	10/03/2016	16-10	FY16/17 SEWER USER FEES-APN 291-250-005-4	\$105.00
Remit to: RIVERSIDE, CA					FYTD: \$105.00
EMPIRE MOWER	229833	10/17/2016	174640	TREE TRIMMING EQUIPMENT REPAIR & PARTS	\$384.18
		10/17/2016	174970	TREE TRIMMING EQUIPMENT REPAIR & PARTS	
		10/17/2016	174637	TREE TRIMMING EQUIPMENT REPAIR & PARTS	
		10/17/2016	174845	TREE TRIMMING EQUIPMENT REPAIR & PARTS	
Remit to: MORENO VALLEY, CA					FYTD: \$709.87
ENCO UTILITY SERVICES MORENO VALLEY LLC	18539	10/03/2016	0402-MF-01930A	SOLAR METER INSTALLATION	\$2,133.00
		10/03/2016	0402-MF-01931A	SOLAR METER INSTALLATION	
	18616	10/03/2016	0402-MF-01932A	SOLAR METER INSTALLATION	\$2,133.00
		10/17/2016	0402-MF-01939A	SOLAR METER INSTALLATION	
		10/17/2016	0402-MF-01938A	SOLAR METER INSTALLATION	
	18661	10/17/2016	0402-MF-01936A	SOLAR METER INSTALLATION	\$2,844.00
		10/24/2016	0402-MF-01910Aa	SOLAR METER INSTALLATION	
		10/24/2016	0402-MF-01941A	SOLAR METER INSTALLATION	
		10/24/2016	0402-MF-01937A	SOLAR METER INSTALLATION	
		10/24/2016	0402-MF-01940A	SOLAR METER INSTALLATION	
Remit to: ANAHEIM, CA					FYTD: \$2,234,619.99

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ESGIL CORPORATION	18540	10/03/2016	07164737	PLAN CHECK SVCS-BLDG. & SAFETY-JUL16	\$577.50
	18617	10/17/2016	08164764	PLAN CHECK SVCS-BLDG & SAFETY-AUG16	\$427.04
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$10,220.79
EVANS ENGRAVING & AWARDS	18689	10/31/2016	102516-18	PLAQUE FOR ARTS COMMISSIONER-ERIC VON MIZENER	\$32.40
Remit to: BANNING, CA					<u>FYTD:</u> \$194.40
EXCEL LANDSCAPE, INC	18618	10/17/2016	88605	LANDSCAPE MAINT-WQB/NPDES-SEPT16	\$6,815.90
Remit to: CORONA, CA					<u>FYTD:</u> \$34,616.54
FILARSKY & WATT, LLP	229834	10/17/2016	JUL 2016	LEGAL SERVICES	\$3,248.65
Remit to: MANHATTAN BEACH, CA					<u>FYTD:</u> \$13,598.65
FIRST AMERICAN DATA TREE, LLC	229923	10/31/2016	20027760716	ONLINE SOFTWARE SUBSCRIPTION-JUL16	\$99.00
Remit to: PASADENA, CA					<u>FYTD:</u> \$297.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register

For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
FIRST CHOICE SERVICES	18541	10/03/2016	591313	WATER PURIF. UNIT RENTAL-FIRE STATION 58-AUG16	\$45.90
		10/03/2016	589626	WATER PURIF. UNIT RENTAL-FIRE STATION 58-JUL16	
	18620	10/17/2016	594980	WATER PURIF. UNITS RENTAL-CITY HALL/2ND FLOOR-SEPT16	\$504.90
		10/17/2016	594987	WATER PURIF. UNIT RENTAL-FIRE STATION 58-SEPT16	
		10/17/2016	594988	WATER PURIF. UNIT RENTAL-FIRE STATION 65	
		10/17/2016	594979	WATER PURIF. UNITS RENTAL-CITY HALL/1ST FLOOR-SEPT16	
		10/17/2016	594977	WATER PURIF. UNITS RENTAL-ANIMAL SHELTER-SEPT16	
		10/17/2016	594989	WATER PURIF. UNIT RENTAL-FIRE STATION 91-SEPT16	
		10/17/2016	594986	WATER PURIF. UNIT RENTAL-FIRE STATION 48-SEPT16	
		10/17/2016	594992	WATER PURIF. UNIT RENTAL-PUBLIC SAFETY BLDG.-SEPT16	
		10/17/2016	594993	WATER PURIF. UNIT RENTAL-SENIOR CTR-SEPT16	
		10/17/2016	594985	WATER PURIF. UNIT RENTAL-FIRE STATION 6-SEPT16	
		10/17/2016	594994	WATER PURIF. UNIT RENTAL-TRANSP. TRAILER-SEPT16	
		10/17/2016	594991	WATER PURIF. UNIT RENTAL-LIBRARY-SEPT16	
		10/17/2016	594984	WATER PURIF. UNIT RENTAL-FIRE STATION 2-SEPT16	
		10/17/2016	594983	WATER PURIF. UNIT RENTAL-EMERGENCY OPS CTR-SEPT16	
		10/17/2016	594982	WATER PURIF. UNIT RENTAL-CITY YARD-SEPT16	
		10/17/2016	594981	WATER PURIF. UNIT RENTAL-CONF. & REC CTR-SEPT16	
		10/17/2016	594990	WATER PURIF. UNIT RENTAL-FIRE STATION 99	
		10/17/2016	594978	WATER PURIF. UNIT RENTAL-ANNEX 1-SEPT16	
Remit to: ONTARIO, CA					FYTD: \$1,985.86
FIRST IINDUSTRIAL, LP	229951	10/31/2016	PA13-0037/0038	REFUND-SPECIAL ELECTION/MAIL BALLOT PROCEEDING FEE OVERPAYMENT	\$4,050.00
Remit to: EL SEGUNDO, CA					FYTD: \$4,050.00
FIRST INDUSTRIAL REALTY TRUST	18542	10/03/2016	2638077	PROPERTY LEASE RENT-OCT16	\$531.00
Remit to: PASADENA, CA					FYTD: \$2,177.10

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
FLINT TRADING, INC	229924	10/31/2016	203173	THERMOPLASTIC MATERIALS (BIKE LANE SYMBOLS)	\$7,913.28
Remit to: THOMASVILLE, NC					<u>FYTD:</u> \$7,913.28
FORM PRINT COMPANY FPC GRAPHICS	229740	10/03/2016	91784	FALSE ALARM TICKET BOOKS (320 BOOKS)	\$3,652.99
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$5,311.44
FRANCE PUBLICATIONS, INC.	18662	10/24/2016	WR79776	ADVERTISEMENT-WESTERN REAL ESTATE BUSINESS-10/1/16 ISSUE	\$2,900.00
Remit to: ATLANTA, GA					<u>FYTD:</u> \$12,300.00
FRANCHISE TAX BOARD (1)	229769	10/03/2016	FY15/16	FORM 199 FILING FEE-MV PUBLIC FACILITIES FINANCING CORP	\$20.00
		10/03/2016	FY2015/16	FORM 199 FILING FEE-MV COMMUNITY FOUNDATION	
Remit to: RANCHO CORDOVA, CA					<u>FYTD:</u> \$20.00
FRANKLIN, L. C.	18663	10/24/2016	SEPT-2016	MILEAGE REIMBURSEMENT	\$254.34
Remit to: PERRIS, CA					<u>FYTD:</u> \$473.58
FRED'S GLASS & MIRROR, INC.	229741	10/03/2016	6354	FRONT ENTRY DOOR GLASS REPLACEMENT-MARCH FIELD COMM. CTR.	\$460.38
	229925	10/31/2016	6735	NEW STOREFRONT WINDOWS (5) VADALISM REPAIR-ERC	\$3,507.91
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$3,968.29
FRONTIER COMMUNICATIONS/ FORMERLY VERIZON CALIF.	18543	10/03/2016	7002Z183-S-16249	BACKBONE COMMUNICATIONS SERVICE 9/5-10/4/16	\$1,963.42
	18664	10/24/2016	7002Z183-S-16279	BACKBONE COMMUNICATION SERVICE 10/5-11/4/16	\$1,955.10
Remit to: ROCHESTER, NY					<u>FYTD:</u> \$7,845.36

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
FRONTIER COMMUNICATIONS/FORMERLY VERIZON CALIF.	229742	10/03/2016	3101548661/SEP16	FIOS SERVICES FOR FIRE STATION 99	\$117.23
	229896	10/24/2016	082109-5/OCT16	PHONE CHARGES FOR ERC 10/4-11/3/16	\$619.14
	229926	10/31/2016	3101548661/OCT16	FIOS SERVICES FOR FIRE STATION 99	\$117.23
Remit to: CINCINNATI, OH					<u>FYTD:</u> \$2,945.48
FUNN, TAMARIO	229779	10/03/2016	1400106	TOWNGATE COMM. CTR. RENTAL REFUND DEPOSIT	\$200.00
Remit to: NEUVO, CA					<u>FYTD:</u> \$200.00
FUSION SIGN AND DESIGN, INC	229966	10/31/2016	103494	WELCOME SIGN FOR REDLANDS BLVD.	\$4,854.60
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$4,854.60
GALLS INC., INLAND UNIFORM	18544	10/03/2016	006110201	ANIMAL CONTROL OFFICER UNIFORMS	\$2,698.84
		10/03/2016	006090744	ANIMAL CONTROL OFFICER UNIFORMS	
		10/03/2016	006106743	ANIMAL CONTROL OFFICER UNIFORMS	
Remit to: CHICAGO, IL					<u>FYTD:</u> \$2,698.84
GANTT, CINDY	229869	10/17/2016	R16-102499	ANIMAL SHELTER REFUND-TRAP DEPOSIT	\$50.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$50.00
GAYER, GLEN	229870	10/17/2016	CK#214540	REISSUE UNCLAIMED CHECK-RE: REFUND RABIES FEE DEPOSIT	\$20.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$20.00
GHD INCORPORATED	229927	10/31/2016	71357	CYCLE 7 - DESIGN CONSULTANT	\$8,863.67
Remit to: PASADENA, CA					<u>FYTD:</u> \$98,573.47
GONZALES, CECILIA	18621	10/17/2016	FSA 2013	REFUND-FLEXIBLE SPENDING ACCT. OVER DEDUCTION	\$624.94
Remit to: CORONA, CA					<u>FYTD:</u> \$624.94

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
GONZALEZ DE LEON, ARACELI	229835	10/17/2016	OCT-2016	INSTRUCTOR SERVICES-INTRODUCTION TO SALSA CLASS	\$198.00
		10/17/2016	AUG-2016	INSTRUCTOR SERVICES-INTRODUCTION TO SALSA CLASS	
		10/17/2016	SEP-2016	INSTRUCTOR SERVICES-INTRODUCTION TO SALSA CLASS	
Remit to: RIVERSIDE, CA					FYTD: \$270.00
GOZDECKI, DAN	18622	10/17/2016	OCT-2016 ADULT	INSTRUCTOR SERVICES-KUNG FU CLASS	\$406.80
		10/17/2016	OCT-2016 YOUTH	INSTRUCTOR SERVICES-KUNG FU CLASS	
Remit to: MORENO VALLEY, CA					FYTD: \$1,636.80
GRAVES & KING, LLP	229743	10/03/2016	1608-0009808-05	LEGAL SERVICES-CLAIM MV1622 (K. CABRERA)	\$14,236.52
		10/03/2016	1608-0009862-04	LEGAL SERVICES-MV1633 (R. WARREN)	
Remit to: RIVERSIDE, CA					FYTD: \$25,355.91
GREYSON, JANIE	229871	10/17/2016	R16-102346	ANIMAL SHELTER REFUND-SPAY/NEUTER DEPOSIT	\$75.00
Remit to: LAGUNA, CA					FYTD: \$75.00
GUTIERREZ, ALEJANDRA	229872	10/17/2016	R16-100141	ANIMAL SHELTER REFUND-SPAY/NEUTER & RABIES DEPOSITS	\$95.00
Remit to: RIVERSIDE, CA					FYTD: \$95.00
HAAKER EQUIPMENT	18583	10/10/2016	W42556	ANIMAL SHELTER FLOOR SCRUBBER REPAIRS	\$2,774.74
Remit to: LA VERNE, CA					FYTD: \$2,774.74
HABITAT RESTORATION SCIENCES, INC	18665	10/24/2016	7636	DETENTION BASIN MAINTENANCE SVC-AUG16	\$1,874.00
Remit to: CARLSBAD, CA					FYTD: \$7,496.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
HARGIS, STEVE	18545	10/03/2016	10/9-10/12/16	TRAVEL PER DIEM & MILEAGE-MISAC ANNUAL CONFERENCE	\$238.36
	18584	10/10/2016	REIMB. 10/3/16	REIMBURSEMENT OF CAR RENTAL CHARGES-ICMA CONFERENCE/MISSOURI	\$502.65
Remit to: TEMECULA, CA					FYTD: \$965.01
HARRIS, FRANKLYN	229952	10/31/2016	R16-103143	ANIMAL SHELTER REFUND-DEPOSIT ON 2 CAT TRAPS	\$100.00
Remit to: MORENO VALLEY, CA					FYTD: \$100.00
HATZL-PATTERSON, NINA MICHELE	229856	10/17/2016	10/23-10/27/16	TRAVEL PER DIEM & MILEAGE-CALED ANNUAL CONFERENCE/FRESNO	\$477.80
	229928	10/31/2016	AUG. 2016	TUITION REIMBURSEMENT-MANAGING THE ENTITLEMENT PROCESS COURSE	\$450.00
Remit to: RIVERSIDE, CA					FYTD: \$1,100.94
HDL COREN & CONE	229836	10/17/2016	0022863-IN	CONTRACT SVCS-PROPERTY TAX SOFTWARE MAINT(JUL-SEPT 2016)	\$4,875.00
	229897	10/24/2016	0023203-IN	CONTRACT SVCS PROPERTY TAX-FEE INCREASE DIFFERENTL-JUL-SEPT 2016	\$487.50
Remit to: DIAMOND BAR, CA					FYTD: \$6,007.50
HDL SOFTWARE LLC	229744	10/03/2016	0010395-IN	BUSINESS LICENSE SOFTWARE ANNUAL MAINTENANCE 8/1/16-7/31/17	\$13,933.22
Remit to: DIAMOND BAR, CA					FYTD: \$13,933.22
HERNANDEZ, IRVIN	229780	10/03/2016	R16-098462	ANIMAL SHELTER REFUND-SPAY/NEUTER AND RABIES DEPOSITS	\$95.00
Remit to: PERRIS, CA					FYTD: \$95.00
HILLSIDE RETAINING WALLS	229818	10/10/2016	BL#31665-YR2016	REFUND OF OVERPAYMENT FOR BL#31665	\$59.19
Remit to: BONSALL, CA					FYTD: \$59.19

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
HITACHI DATA SYSTEMS/AVRIO RMS GROUP	18546	10/03/2016	70005806	SOFTWARE MAINTENANCE RENEWAL F/Y16-17	\$10,943.51
Remit to: SANTA CLARA, CA					<u>FYTD:</u> \$11,833.43
HLP, INC.	18585	10/10/2016	12197	CHAMELEON/CMS SOFTWARE ANNUAL SUPPORT & MAINTENANCE-FY16/17	\$17,625.60
	18625	10/17/2016	11658	ANNUAL WEB LICENSE SERVICE FEE	\$3,873.25
		10/17/2016	11297	WEB LICENSE MONTHLY SERVICE FEE	
	18690	10/31/2016	12367	WEB LICENSE MONTHLY SERVICE FEE	\$35.70
Remit to: LITTLETON, CO					<u>FYTD:</u> \$21,660.90
HONDA YAMAHA OF REDLANDS	18547	10/03/2016	83755	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	\$1,040.34
		10/03/2016	84714	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
		10/03/2016	83757	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
		10/03/2016	84719	MAINT & REPAIRS-TRAFFIC MOTORCYCLE	
Remit to: REDLANDS, CA					<u>FYTD:</u> \$4,540.79
HOUSER, MELANIE JEAN	18548	10/03/2016	1013	TRANSCRIPTION SERVICES-PLANNING COMMISSION MEETINGS- SEPT16	\$174.60
Remit to: ST. PETERSBURG, FL					<u>FYTD:</u> \$557.40
HR GREEN CALIFORNIA, INC	229837	10/17/2016	107147	CONSULTANT PLAN CHECK SVCS 7/1-8/31/16	\$375.00
Remit to: DES MOINES, IA					<u>FYTD:</u> \$1,028.75
HUNSAKER & ASSOCIATES IRVINE, INC	229838	10/17/2016	16080395	CONSULTANT PLAN CHECK SVCS-PM35679/PA07-0084	\$1,959.98
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$18,871.91

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

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IES COMMERCIAL, INC	18549	10/03/2016	127216	CITY HALL/HR BADGE PRINTER SOFTWARE MIGRATION	\$335.00
	18626	10/17/2016	127570	NODE & TWO CARD READERS INSTALLATION-PUBLIC SAFETY BLDG.	\$6,423.81
	18691	10/31/2016	126648	INSTALL INTERCOM SYSTEM-CITY YARD/PERRIS OFFICE	\$1,847.76
Remit to: TEMPE, AZ					FYTD: \$8,606.57
INLAND EMPIRE BUSINESS PUBLICATIONS, LLC	18586	10/10/2016	48	1/2 PAGE ADVERTISEMENT-INLAND EMPIRE BUSINESS REVIEW	\$624.00
Remit to: MORENO VALLEY, CA					FYTD: \$2,496.00
INLAND EMPIRE PROPERTY SERVICE, INC	18550	10/03/2016	422	FIRE PREV. NUISANCE ABATEMENT SVC.	\$849.75
		10/03/2016	420	FIRE PREV. NUISANCE ABATEMENT SVC.	
		10/03/2016	423	FIRE PREV. NUISANCE ABATEMENT SVC.	
		10/03/2016	421	FIRE PREV. NUISANCE ABATEMENT SVC.	
		10/03/2016	416	FIRE PREV. NUISANCE ABATEMENT SVC.	
	18692	10/31/2016	3277	WEED ABATEMENT SVC-EQUESTRIAN CTR	\$3,812.00
		10/31/2016	3276	WEED ABATEMENT SVC-MARCH FIELD	
Remit to: MORENO VALLEY, CA					FYTD: \$32,530.64
INTEGRA LIFE HEALTH AND TRAUMA	229953	10/31/2016	1407469	TOWNGATE COMM. CTR. RENTAL REFUND DEPOSIT	\$200.00
Remit to: MORENO VALLEY, CA					FYTD: \$200.00
INTERPRETERS UNLIMITED	229745	10/03/2016	M16M8-13197	LANGUAGE INTERPRETATION SERVICE	\$16.00
Remit to: SAN DIEGO, CA					FYTD: \$54.00
IRON MOUNTAIN, INC	18693	10/31/2016	NAZ0041	OFF-SITE STORAGE OF CITY RECORDS-OCT16	\$2,330.08
Remit to: PASADENA, CA					FYTD: \$9,472.82

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

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JACK HENRY & ASSOCIATES	229798	10/10/2016	2367185	ONLINE PAYMENT PROCESSING-MVU-AUG16	\$45.00
		10/10/2016	2340258	ONLINE PAYMENT PROCESSING-MVU-JUL16	
		10/10/2016	2314859	ONLINE PAYMENT PROCESSING-MVU-JUN16	
Remit to: MONETT, MO					FYTD: \$45.00
JASSO VERA PEREZ, TERESA	229873	10/17/2016	CITATION P24129	REFUND DUE TO REDUCTION IN CITATION AMOUNT	\$400.00
Remit to: MORENO VALLEY, CA					FYTD: \$400.00
JDH CONTRACTING	18551	10/03/2016	092216-01	RENOVATION OF WESTON PARK RESTROOM	\$22,597.00
	18694	10/31/2016	101316-01	BREAK OUT CONCRETE STEPS & RE-POUR-SENIOR CENTER	\$7,389.00
		10/31/2016	100616-01	INSTALL 2 DOOR LOUVERS & 3 DOOR STOPS-COTTONWOOD GOLF CTR	
Remit to: RIVERSIDE, CA					FYTD: \$121,226.00
JOE A. GONSALVES & SON	18552	10/03/2016	155133	STATE LOBBYIST SERVICES-OCT16	\$3,000.00
	18695	10/31/2016	155214	STATE LOBBYIST SERVICES-NOV16	\$3,000.00
Remit to: SACRAMENTO, CA					FYTD: \$15,045.00
JOHNSON MEZZCAP	18553	10/03/2016	1097	LITE OWLS & E-SERIES EQUIPMENT LEASE-OCT16	\$2,243.51
	18667	10/24/2016	1098	LITE OWLS & E-SERIES EQUIPMENT LEASE-NOV16	\$2,243.51
Remit to: DALLAS, TX					FYTD: \$11,217.55
JOHNSON, TRACY	229746	10/03/2016	SEP-2016	INSTRUCTOR SERVICES - SHITO-RYU KARATE CLASSES	\$472.80
	229929	10/31/2016	OCT-2016	INSTRUCTOR SERVICES - SHITO-RYU KARATE CLASSES	\$385.40
Remit to: MORENO VALLEY, CA					FYTD: \$1,727.40
KOA CORPORATION	229898	10/24/2016	JB54042x13	RECHE VISTA - REALIGNMENT CONSTRUCTION SERVICES	\$174.64
Remit to: MONTEREY PARK, CA					FYTD: \$61,178.64

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

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KOCZANOWICZ, MARTIN D,	229942	10/31/2016	10/5-10/7/16	TRAVEL PER DIEM/REGISTR./LODGING/PARKING REIMB.-LCC ANNUAL CONF.	\$977.71
Remit to: GLENDALE, CA					<u>FYTD:</u> \$977.71
LANDCARE USA, LLC	18627	10/17/2016	8142143	IRRIGATION REPAIRS-ZONE SD LMD ZN 01-SEPT16	\$11,797.37
		10/17/2016	8138889	LANDSCAPE MAINT-ZONES E-7, SD LMD ZN 01, 01A & 08-SEPT16	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$129,635.17
LANE, DONISHA	229874	10/17/2016	R16-101524	ANIMAL SHELTER REFUND-SPAY/NEUTER & RABIES DEPOSITS	\$95.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$95.00
LARA-JARA, ANDREA	229819	10/10/2016	R16-099952	ANIMAL SHELTER REFUND-RABIES DEPOSIT	\$20.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$20.00
LATITUDE GEOGRAPHICS	229799	10/10/2016	INV0004263	GEOCORTEX-TECHNICAL SUPPORT HOURS	\$157.55
Remit to: VICTORIA, BC					<u>FYTD:</u> \$19,787.20
LEADING EDGE LEARNING CENTER	229747	10/03/2016	SEP-2016	INSTRUCTOR SERVICES-ESL/READING RASCALS/LEADERSHIP, ETC. CLASSES	\$710.80
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$1,029.20
LEAGUE OF CALIFORNIA CITIES-RIV CNTY DIV 1	229930	10/31/2016	11/14/16 EVENT	GENERAL MEETING ATTENDANCE-MAYOR PRO TEM GIBA	\$40.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$240.00
LEE-MCDUFFIE, PRECIOUS	18628	10/17/2016	OCT-2016	INSTRUCTOR SERVICES-ACTING FOR KIDS CLASS	\$358.20
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$1,471.80

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



**City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016**

CHECKS UNDER \$25,000

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LEONIDA BUILDERS, INC	18696	10/31/2016	MV-4	RETENTION PROJECT NO. 801 0059	\$11,852.50
Remit to: GLENDORA, CA					FYTD: \$91,095.97
LEVEL 3 COMMUNICATIONS, FMRLY TW TELCOM	18587	10/10/2016	46868528	TELEPHONE SVCS-LOCAL/LONG DISTANCE CALLS 9/17-10/16/16	\$4,696.67
		10/10/2016	46868528a	INTERNET & DATA SERVICES 9/17-10/16/16	
Remit to: BROOMFIELD, CO					FYTD: \$18,760.40
LIEBERT, CASSIDY, WHITMORE	229748	10/03/2016	1426730	LEGAL SERVICES-MO140-00001	\$901.00
		10/03/2016	1425301	LEGAL SERVICES-MO140-00001	
Remit to: LOS ANGELES, CA					FYTD: \$5,126.00
LOUCKS, CHRISTOPHER	229857	10/17/2016	10/23-10/28/16	TRAVEL PER DIEM-CHP/ALLIED AGENCY COMMERCIAL ENFORCEMENT TRNG.	\$288.00
Remit to: MORENO VALLEY, CA					FYTD: \$288.00
LYNCH, PATRICK	229858	10/17/2016	10/23-10/28/16	TRAVEL PER DIEM-CHP/ALLIED AGENCY COMMERCIAL ENFORCEMENT TRNG.	\$288.00
Remit to: MORENO VALLEY, CA					FYTD: \$288.00
LYONS SECURITY SERVICE, INC	18588	10/10/2016	23295	SECURITY GUARD SVCS-MV UTILITIES-SEPT16	\$132.08
	18630	10/17/2016	23289	SECURITY GUARD SVCS-CITY HALL-SEPT16	\$7,325.42
		10/17/2016	23293	SECURITY GUARD SVCS-TOWNGATE COMM. CTR. SPECIAL	
		10/17/2016	23292	EVENTS-SEPT16 SECURITY GUARD SVCS-COTTONWOOD	
				GOLF CTR SPECIAL EVENTS-SEPT16	
		10/17/2016	23291	SECURITY GUARD SVCS-LIBRARY-SEPT16	
Remit to: ANAHEIM, CA					FYTD: \$55,859.94

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
M.V. JAAFC	229883	10/17/2016	10132016	SPONSORSHIP/SUPPORT-MORENO VALLEY YOUTH FOOTBALL TEAM	\$200.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$200.00
MAGNUM BREEZE II, INC/WOODCREST VEH CTR	18697	10/31/2016	16973	VEHICLE REPAIR FOR PD	\$234.96
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$234.96
MAISON, ERNEST	229820	10/10/2016	R16-102608	ANIMAL SHELTER REFUND-OVERPMT ON WEB LIC RENEWAL	\$27.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$27.00
MARCH JOINT POWERS AUTHORITY	229931	10/31/2016	40485	GAS CHARGES-BLDG. 823-AUG16	\$4.67
		10/31/2016	40488	GAS CHARGES-BLDG. 938-AUG16	
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$25,249.89

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
MARIPOSA HORTICULTURAL ENTERPRISES, INC.	18554	10/03/2016	73747	LANDSCAPE EXTRA WORK-JUL16-ZONE D/IRRIGATION REPAIR AREA 10	\$2,023.98
		10/03/2016	73748	LANDSCAPE EXTRA WORK-JUL16-ZONE D/IRRIGATION REPAIR	
		10/03/2016	73746	LANDSCAPE EXTRA WORK-JUL16-ZONE D/IRRIGATION REPAIR AREA 4	
		10/03/2016	73749	LANDSCAPE EXTRA WORK-JUL16-ZONE D/IRRIGATION REPAIR AREA 58	
		10/03/2016	73744	LANDSCAPE EXTRA WORK-JUL16-ZONE D/IRRIGATION REPAIR AREA 8	
		10/03/2016	73743	LANDSCAPE EXTRA WORK-JUL16-ZONE D/IRRIGATION REPAIR AREA 47	
		10/03/2016	73740	LANDSCAPE EXTRA WORK-JUL16-ZONE D/IRRIGATION REPAIR AREA 61	
		10/03/2016	73739	LANDSCAPE EXTRA WORK-JUL16-ZONE D/IRRIGATION REPAIR	
		10/03/2016	73742	LANDSCAPE EXTRA WORK-JUL16-ZONE D/IRRIGATION REPAIR AREA 69	
		10/03/2016	73745	LANDSCAPE EXTRA WORK-JUL16-ZONE D/IRRIGATION REPAIR AREA 13	
	10/03/2016	73741	LANDSCAPE EXTRA WORK-JUL16-ZONE D/IRRIGATION REPAIR AREA 45		
Remit to: IRWINDALE, CA					FYTD: \$182,107.62
MEEKS, DANIEL	18555	10/03/2016	091516 / 092216	SPORTS OFFICIATING SERVICES-SOFTBALL	\$63.00
	18589	10/10/2016	092516	SPORTS OFFICIATING SERVICES-SOFTBALL	\$42.00
Remit to: PERRIS, CA					FYTD: \$1,134.00
MENDOZA, RAQUEL	229821	10/10/2016	1400740	CANCELED RENTAL - RETURNING BALANCE MINUS CANCELLATION FEE	\$100.00
Remit to: MORENO VALLEY, CA					FYTD: \$100.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

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MENGISTU, YESHIALEM	18668	10/24/2016	SEPT-2016	MILEAGE REIMBURSEMENT	\$191.70
Remit to: MORENO VALLEY, CA					FYTD: \$338.04
MICHAEL BAKER INTERNATIONAL, INC	18591	10/10/2016	954685	NASON/CACTUS TO FIR - SURVEY	\$405.38
	18669	10/24/2016	951660	CONSULTANT PLAN CHECK SVCS/PA15-0028 (PM 36468) TRACT MAP REVIEW	\$2,143.26
		10/24/2016	951661	CONSULTANT PLAN CHECK SVCS/PA15-0035 (PM 36986) TRACT MAP REVIEW	
		10/24/2016	951431	CONSULTANT PLAN CHECK SERVICES/PA13-0037 NANDINA LOGISTICS CTR.	
Remit to: LOS ANGELES, CA					FYTD: \$100,311.91
MIRACLE RECREATION EQUIPMENT	18556	10/03/2016	778465	PLAYGROUND EQUIPMENT PARTS-TOWNGATE PARK	\$1,091.88
Remit to: DALLAS, TX					FYTD: \$5,392.02
MITY-LITE, INC.	18670	10/24/2016	27420	BANQUET CHAIRS (200) FOR COTTONWOOD GOLF CTR. BANQUET ROOM	\$22,838.34
		10/24/2016	26929	TABLES (13) & CARTS (4) FOR COTTONWOOD MEETING ROOM	
		10/24/2016	27730	ROUND BANQUET TABLES (6) FOR COTTONWOOD GOLF CTR. BANQUET ROOM	
Remit to: DALLAS, TX					FYTD: \$22,838.34
MONTGOMERY PLUMBING INC	229839	10/17/2016	100716	PLUMBING REPAIR-CLEARED MAIN LINE AT EOC	\$275.00
Remit to: MORENO VALLEY, CA					FYTD: \$7,400.00
MORENO VALLEY BOWL	229800	10/10/2016	SEP-2016	INSTRUCTOR SERVICES-BOWLING (BUMPER) CLASS FOR YOUTH	\$400.00
Remit to: MORENO VALLEY, CA					FYTD: \$720.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
MORENO VALLEY UTILITY	229801	10/10/2016	7013411-01/SEP16	ELECTRICITY-UTILITY FIELD OFFICE	\$203.23
Remit to: HEMET, CA					<u>FYTD:</u> \$363,719.58
MORNING OPTIMIST CLUB	229822	10/10/2016	1401538	REFUND FOR RENTAL 29662 AT THE SENIOR CENTER	\$300.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$300.00
MTGL, INC	18592	10/10/2016	54602	JFK DR. ST. IMP. - CONSULTANT	\$7,282.50
Remit to: ANAHEIM, CA					<u>FYTD:</u> \$7,282.50
MURIUKI, ADENIKE	229875	10/17/2016	R16-094304	ANIMAL SHELTER REFUND DUPLICATE PAYMENT FOR LICENSE	\$19.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$19.00
MUSIC CHANGING LIVES	18671	10/24/2016	OCT-2016	INSTRUCTOR SERVICES-COMIC BOOK CREATION/DRAWING FOR KIDS CLASSES	\$481.80
		10/24/2016	SEP-2016	INSTRUCTOR SERVICES-COMIC BOOK CREATION/DRAWING FOR KIDS CLASSES	
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$1,138.80
MUSICSTAR	229840	10/17/2016	AUG-2016	INSTRUCTOR SERVICES-GUITAR & PIANO FOR KIDS CLASSES	\$297.00
	229899	10/24/2016	OCT-2016	INSTRUCTOR SERVICES-PIANO FOR KIDS CLASSES	\$405.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$6,411.60
N.E.A.D., INC	229802	10/10/2016	1380	MY CITY MOBILE APP MAINTENANCE FEES-FY16/17	\$6,000.00
Remit to: HUNTINGTON BEACH, CA					<u>FYTD:</u> \$6,000.00
NAMEKATA, DOUGLAS	18700	10/31/2016	OCT-2016	INSTRUCTOR SERVICES - SHITO-RYU KARATE CLASSES	\$385.40
	229751	10/03/2016	SEP-2016	INSTRUCTOR SERVICES - SHITO-RYU KARATE CLASSES	\$472.80
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$1,727.40

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

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NAMEKATA, JAMES	18701	10/31/2016	OCT-2016	INSTRUCTOR SERVICES - SHITO-RYU KARATE CLASSES	\$385.40
	229752	10/03/2016	SEP-2016	INSTRUCTOR SERVICES - SHITO-RYU KARATE CLASSES	\$472.80
Remit to: RIVERSIDE, CA					FYTD: \$1,727.40
NEFF, NANCY	229954	10/31/2016	R16-102147	ANIMAL SHELTER REFUND-SPAY/NEUTER DEPOSIT	\$75.00
Remit to: LAKE ELSINORE, CA					FYTD: \$75.00
NEIGHBORHOOD CYCLERY	18672	10/24/2016	3470	TWO SPECIALIZED TURBO DREAM BICYCLES	\$5,076.00
Remit to: MORENO VALLEY, CA					FYTD: \$5,076.00
NEW ACTON MOBILE INDUSTRIES, LLC	229955	10/31/2016	BL#31396-YR2016	REFUND OF OVERPAYMENT FOR BL#31396	\$68.00
Remit to: BALTIMORE, MD					FYTD: \$68.00
NEW HORIZON MOBILE HOME PARK	18702	10/31/2016	OCT 2016	REFUNDS - UTILITY USER'S TAX	\$5.11
Remit to: LOS ANGELES, CA					FYTD: \$17.80
NEW IMAGE COMMERCIAL FLOORING	229841	10/17/2016	14425	FLOORING REPAIRS-FIRE STATION #99	\$4,663.93
Remit to: SAN BERNARDINO, CA					FYTD: \$4,663.93
NI, JERRY	229876	10/17/2016	B1602797	REFUND REQUEST - FALSE ALARM CHARGE	\$32.00
Remit to: NEWPORT BEACH, CA					FYTD: \$32.00
NKERE, BARRY	229885	10/18/2016	101516	SPORTS OFFICIATING SERVICES-MAYOR'S CUP BASKETBALL	\$120.00
Remit to: UPLAND, CA					FYTD: \$120.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



**City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016**

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
OLKO, JEANNETTE	229771	10/03/2016	10/2-10/4/16	TRAVEL COST FOR AIRPORT SHUTTLE-NEW WORLD 2016 USER CONFERENCE	\$40.00
Remit to: BEAUMONT, CA					FYTD: \$40.00
ORTIZ, HECTOR	229877	10/17/2016	R16-100476	ANIMAL SHELTER REFUND-SPAY/NEUTER & RABIES DEPOSITS	\$95.00
Remit to: MORENO VALLEY, CA					FYTD: \$95.00
OVERLAND PACIFIC & CUTLER, INC.	18631	10/17/2016	1609133	RIGHT-OF-WAY - CONSULTANT	\$2,152.50
		10/17/2016	1608114	RIGHT-OF-WAY - CONSULTANT	
Remit to: LONG BEACH, CA					FYTD: \$3,911.25
PACIFIC ALARM SERVICE, INC	18593	10/10/2016	R 124083	BURGLAR ALARM SYSTEM RENT/SVC/MONITORING-MVU SUBSTATION-OCT16	\$244.00
Remit to: BEAUMONT, CA					FYTD: \$976.00
PACIFIC TELEMAGEMENT SERVICES	18557	10/03/2016	865148	PAY PHONE SERVICES-OCT16	\$250.56
	18703	10/31/2016	871228	PAY PHONE SERVICES-NOV16	\$187.92
Remit to: SAN RAMON, CA					FYTD: \$1,190.16
PAINTING BY ZEB BODE	18558	10/03/2016	09272016	PAINTING OF RESTROOMS-WESTON PARK	\$4,700.00
	18704	10/31/2016	10242016	WOODLAND PARK RESTROOM UPGRADE PROJECT	\$12,900.00
Remit to: NORCO, CA					FYTD: \$36,900.00
PALM MIDDLE SCHOOL PTSA	229878	10/17/2016	10/29/16 EVENT	SPONSORSHIP-3RD ANNUAL PUMA 5K FUN RUN	\$500.00
Remit to: MORENO VALLEY, CA					FYTD: \$500.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



**City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016**

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
PARADA, CATHY	229910	10/24/2016	11/1-11/3/16	TRAVEL PER DIEM & MILEAGE-EXECUTIVE LEADERSHIP SUPPORT FORUM	\$207.92
Remit to: HEMET, CA					FYTD: \$207.92
PARASHAR, RADHITA	229823	10/10/2016	1402438	COTTONWOOD GOLF CTR. RENTAL REFUND DEPOSIT AND BALANCE ON ACCT	\$294.00
Remit to: MORENO VALLEY, CA					FYTD: \$294.00
PARSONS BRINCKERHOFF, INC	18594	10/10/2016	AR 669513	SUNNYMEAD MDP LINES F & F-7 - CONSULTANT	\$2,044.00
	18705	10/31/2016	676198	HUBBARD ST. STORM DRAIN - CONSULTANT	\$13,218.00
Remit to: SAN BERNARDINO, CA					FYTD: \$115,122.63
PASCHALL, JODIE	229956	10/31/2016	R16-102649	ANIMAL SHELTER REFUND-RABIES DEPOSIT	\$20.00
Remit to: CHINO, CA					FYTD: \$20.00
PEDLEY SQUARE VETERINARY CLINIC	18632	10/17/2016	AUG-2016	VETERINARY SERVICES-MV ANIMAL SHELTER	\$12,611.20
Remit to: RIVERSIDE, CA					FYTD: \$48,995.07
PERCEPTIVE ENTERPRISES, INC.	18595	10/10/2016	MVL-24	DBE - CONSULTANT SERVICES	\$2,640.00
Remit to: LOS ANGELES, CA					FYTD: \$6,000.00
PEREZ, JESSICA	229824	10/10/2016	R16-101304	ANIMAL SHELTER REFUND-RABIES DEPOSIT	\$20.00
	229957	10/31/2016	R16-101304	ANIMAL SHELTER REFUND-SPAY/NEUTER DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					FYTD: \$95.00
PETERS, GEORGE	229886	10/18/2016	101516	SPORTS OFFICIATING SERVICES-MAYOR'S CUP BASKETBALL	\$120.00
Remit to: RIVERSIDE, CA					FYTD: \$120.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
PETTY CASH - FINANCE	229859	10/17/2016	SEP 2016	PETTY CASH FUND REPLENISHMENT	\$178.28
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$1,816.24
PROFESSIONAL COMMUNICATIONS NETWORK PCN	229842	10/17/2016	152300571	LIVE ANSWERING SERVICE FOR ROTATIONAL TOW VEHICLES PROGRAM	\$553.31
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$2,944.87

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register

For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
PRUDENTIAL OVERALL SUPPLY	18559	10/03/2016	22299374	UNIFORM RENTAL & LAUNDERING SVC.-TRAFFIC SIGNAL MAINT. STAFF	\$389.13
		10/03/2016	22302837	UNIFORM RENTAL & LAUNDERING SVC.-TRAFFIC SIGNAL MAINT. STAFF	
		10/03/2016	22302838	UNIFORM RENTAL & LAUNDERING SVC.-GOLF COURSE STAFF	
		10/03/2016	22302839	UNIFORM RENTAL & LAUNDERING SVC.-CFD #1 STAFF	
		10/03/2016	22302843	UNIFORM RENTAL & LAUNDERING SVC.-PARKS MAINT. STAFF	
		10/03/2016	22306292	UNIFORM RENTAL & LAUNDERING SVC.-SIGNS & STRIPING STAFF	
		10/03/2016	22306288	UNIFORM RENTAL & LAUNDERING SVC.-SECURITY GUARD STAFF	
		10/03/2016	22306294	UNIFORM RENTAL & LAUNDERING SVC.-GOLF COURSE STAFF	
		10/03/2016	22306299	UNIFORM RENTAL & LAUNDERING SVC.-PARKS MAINT. STAFF	
		10/03/2016	22299380	UNIFORM RENTAL & LAUNDERING SVC.-PARKS MAINT. STAFF	
		10/03/2016	22310218	UNIFORM RENTAL & LAUNDERING SVC.-FACILITIES MAINT. STAFF	
		10/03/2016	22299375	UNIFORM RENTAL & LAUNDERING SVC.-GOLF COURSE STAFF	
		10/03/2016	22302836	UNIFORM RENTAL & LAUNDERING SVC.-SIGNS & STRIPING STAFF	
		10/03/2016	22306295	UNIFORM RENTAL & LAUNDERING SVC.-CFD #1 STAFF	
		10/03/2016	22306293	UNIFORM RENTAL & LAUNDERING SVC.-TRAFFIC SIGNAL MAINT. STAFF	
		10/03/2016	22299373	UNIFORM RENTAL & LAUNDERING SVC.-SIGNS & STRIPING STAFF	
		10/03/2016	22299376	UNIFORM RENTAL & LAUNDERING SVC.-CFD #1 STAFF	
	18633	10/17/2016	22313278	UNIFORM RENTAL & LAUNDERING SVC.-PURCHASING DIV. STAFF	\$9.27
		10/17/2016	22309760	UNIFORM RENTAL & LAUNDERING SVC.-PURCHASING DIV. STAFF	
	10/17/2016	22316807	UNIFORM RENTAL & LAUNDERING SVC.-PURCHASING DIV. STAFF		

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

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PRUDENTIAL OVERALL SUPPLY	18673	10/24/2016	22316811	UNIFORM RENTAL & LAUNDERING SVC.-TRAFFIC SIGNAL MAINT. STAFF	\$137.94
		10/24/2016	22316810	UNIFORM RENTAL & LAUNDERING SVC.-SIGNS & STRIPING STAFF	
		10/24/2016	22309764	UNIFORM RENTAL & LAUNDERING SVC.-TRAFFIC SIGNAL MAINT. STAFF	
		10/24/2016	22313282	UNIFORM RENTAL & LAUNDERING SVC.-TRAFFIC SIGNAL MAINT. STAFF	
		10/24/2016	22313281	UNIFORM RENTAL & LAUNDERING SVC.-SIGNS & STRIPING STAFF	
		10/24/2016	22309763	UNIFORM RENTAL & LAUNDERING SVC.-SIGNS & STRIPING STAFF	

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register

For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
PRUDENTIAL OVERALL SUPPLY	18706	10/31/2016	22316806	UNIFORM RENTAL & LAUNDERING SVC.-SECURITY GUARD STAFF	\$1,015.27
		10/31/2016	22313289	UNIFORM RENTAL & LAUNDERING SVC.-TREE MAINT. STAFF	
		10/31/2016	22313855	UNIFORM RENTAL & LAUNDERING SVC.-FACILITIES MAINT. STAFF	
		10/31/2016	22317397	UNIFORM RENTAL & LAUNDERING SVC.-FACILITIES MAINT. STAFF	
		10/31/2016	22313287	UNIFORM RENTAL & LAUNDERING SVC.-GRAFFITI REMOVAL STAFF	
		10/31/2016	22313288	UNIFORM RENTAL & LAUNDERING SVC.-PARKS MAINT. STAFF	
		10/31/2016	22320390	UNIFORM RENTAL & LAUNDERING SVC.-STREET MAINT. STAFF	
		10/31/2016	22320393	UNIFORM RENTAL & LAUNDERING SVC.-GOLF COURSE STAFF	
		10/31/2016	22309762	UNIFORM RENTAL & LAUNDERING SVC.-STREET MAINT. STAFF	
		10/31/2016	22320398	UNIFORM RENTAL & LAUNDERING SVC.-PARKS MAINT. STAFF	
		10/31/2016	22320399	UNIFORM RENTAL & LAUNDERING SVC.-TREE MAINT. STAFF	
		10/31/2016	22320397	UNIFORM RENTAL & LAUNDERING SVC.-GRAFFITI REMOVAL STAFF	
		10/31/2016	22320395	UNIFORM RENTAL & LAUNDERING SVC.-ST. SWEEPING STAFF	
		10/31/2016	22320394	UNIFORM RENTAL & LAUNDERING SVC.-CFD #1 STAFF	
		10/31/2016	22316818	UNIFORM RENTAL & LAUNDERING SVC.-TREE MAINT. STAFF	
		10/31/2016	22313285	UNIFORM RENTAL & LAUNDERING SVC.-ST. SWEEPING STAFF	
		10/31/2016	22313286	UNIFORM RENTAL & LAUNDERING SVC.-CONCRETE MAINT. STAFF	
		10/31/2016	22316817	UNIFORM RENTAL & LAUNDERING SVC.-PARKS MAINT. STAFF	
		10/31/2016	22316816	UNIFORM RENTAL & LAUNDERING SVC.-GRAFFITI REMOVAL STAFF	
		10/31/2016	22316813	UNIFORM RENTAL & LAUNDERING SVC.-CFD #1 STAFF	
		10/31/2016	22320396	UNIFORM RENTAL & LAUNDERING SVC.-CONCRETE MAINT. STAFF	
		10/31/2016	22316815	UNIFORM RENTAL & LAUNDERING SVC.-CONCRETE MAINT. STAFF	
		10/31/2016	22316814	UNIFORM RENTAL & LAUNDERING SVC.-ST. SWEEPING STAFF	
		10/31/2016	22320389	UNIFORM RENTAL & LAUNDERING SVC.-VEHICLE/EQUIPMENT MAINT. STAFF	
		10/31/2016	22309761	UNIFORM RENTAL & LAUNDERING SVC.-VEHICLE/EQUIPMENT MAINT. STAFF	

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register

For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
PRUDENTIAL OVERALL SUPPLY		10/31/2016	22316812	UNIFORM RENTAL & LAUNDERING SVC.-GOLF COURSE STAFF	
		10/31/2016	22313284	UNIFORM RENTAL & LAUNDERING SVC.-CFD #1 STAFF	
		10/31/2016	22313283	UNIFORM RENTAL & LAUNDERING SVC.-GOLF COURSE STAFF	
		10/31/2016	22309767	UNIFORM RENTAL & LAUNDERING SVC.-ST. SWEEPING STAFF	
		10/31/2016	22316808	UNIFORM RENTAL & LAUNDERING SVC.-VEHICLE/EQUIPMENT MAINT. STAFF	
		10/31/2016	22316809	UNIFORM RENTAL & LAUNDERING SVC.-STREET MAINT. STAFF	
		10/31/2016	22309766	UNIFORM RENTAL & LAUNDERING SVC.-CFD #1 STAFF	
		10/31/2016	22313280	UNIFORM RENTAL & LAUNDERING SVC.-STREET MAINT. STAFF	
		10/31/2016	22309768	UNIFORM RENTAL & LAUNDERING SVC.-CONCRETE MAINT. STAFF	
		10/31/2016	22309769	UNIFORM RENTAL & LAUNDERING SVC.-GRAFFITI REMOVAL STAFF	
		10/31/2016	22309770	UNIFORM RENTAL & LAUNDERING SVC.-PARKS MAINT. STAFF	
		10/31/2016	22309771	UNIFORM RENTAL & LAUNDERING SVC.-TREE MAINT. STAFF	
		10/31/2016	22313277	UNIFORM RENTAL & LAUNDERING SVC.-SECURITY GUARD STAFF	
		10/31/2016	22313279	UNIFORM RENTAL & LAUNDERING SVC.-VEHICLE/EQUIPMENT MAINT. STAFF	
		10/31/2016	22309765	UNIFORM RENTAL & LAUNDERING SVC.-GOLF COURSE STAFF	
Remit to: RIVERSIDE, CA					FYTD: \$6,135.93
PRUITT, CHERYL	18707	10/31/2016	OCT-2016	INSTRUCTOR SERVICES-COMPUTERS FOR BEGINNERS CLASS	\$177.00
Remit to: MORENO VALLEY, CA					FYTD: \$469.80
PSOMAS	18634	10/17/2016	121886	KITCHING ST. ELECTRICAL SUBSTATION & SWITCHYARD PROJECT SERVICES	\$8,993.00
		10/17/2016	122898	KITCHING ST. ELECTRICAL SUBSTATION & SWITCHYARD PROJECT SERVICES	
Remit to: LOS ANGELES, CA					FYTD: \$12,428.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
PW ENHANCEMENT CENTER	18560	10/03/2016	4/APR-2016	EMERGENCY SOLUTIONS PROGRAM-SUBGRANTEE PAYMENT	\$6,892.23
	18708	10/31/2016	5/MAY-2016	EMERGENCY SOLUTIONS PROGRAM-SUBGRANTEE PAYMENT	\$9,738.38
Remit to: MORENO VALLEY, CA					FYTD: \$25,778.87
RAMOS COMPUTERS	229825	10/10/2016	BL#16969-YR2016	REFUND OF OVERPAYMENT FOR BL#16969	\$62.00
Remit to: MORENO VALLEY, CA					FYTD: \$62.00
RAMOS, ROBERTO	18674	10/24/2016	OCT-2016	INSTRUCTOR SVCS-SPANISH/SPORTS/KARATE/SELF DEFENSE/TAE KWON DO	\$1,201.90
Remit to: MORENO VALLEY, CA					FYTD: \$5,197.50
REGALADO, BLANCA E	18561	10/03/2016	SEP-2016	INSTRUCTOR SERVICES-FOLKLORIC DANCE ADULT & YOUTH CLASSES	\$597.00
	18709	10/31/2016	OCT-2016	INSTRUCTOR SERVICES-FOLKLORIC DANCE ADULT & YOUTH CLASSES	\$597.00
Remit to: MORENO VALLEY, CA					FYTD: \$2,592.00
RENZ, ASHLEIGH	229943	10/31/2016	10/5-10/8/16	REIMBURSEMENT FOR MEALS DURING NACA TRAINING CONFERENCE/SEATTLE	\$150.22
Remit to: HEMET, CA					FYTD: \$150.22

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
REPUBLIC MASTER CHEFS TEXTILE RENTAL SERVICE	18562	10/03/2016	S575048	LINENS RENTAL FOR CRC SPECIAL EVENTS	\$396.13
		10/03/2016	S573487	LINENS RENTAL FOR CRC SPECIAL EVENTS	
		10/03/2016	11938427	LINENS RENTAL FOR CRC BALLROOM	
		10/03/2016	11943322	LINENS RENTAL FOR CRC BALLROOM	
	18596	10/10/2016	11949219	LINENS RENTAL FOR CRC BALLROOM	\$22.00
	18635	10/17/2016	11899418	LINENS RENTAL FOR CRC BALLROOM	\$44.33
		10/17/2016	11954096	LINENS RENTAL FOR CRC BALLROOM	
Remit to: LOS ANGELES, CA					FYTD: \$919.31
RICHARD HEATH AND ASSOCIATES	18597	10/10/2016	MV-1604	ENERGY EFFICIENCY AUDIT & CONSERVATION MEASURES-APR16	\$887.99
	18636	10/17/2016	MVR_ST-1609	ENERGY CONSERVATION MEASURES/RESIDENTIAL THERMOSTATS-SEP16	\$1,139.83
		10/17/2016	MVR-1609	ENERGY EFFICIENCY AUDIT/CONSERVATION MEASURES-SEP16	
Remit to: FRESNO, CA					FYTD: \$4,687.82
RICK ENGINEERING COMPANY	18563	10/03/2016	50465	RECHE VISTA - CONSULTANT	\$14,187.50
	18598	10/10/2016	50959	RECHE VISTA - SURVEY	\$1,610.00
Remit to: RIVERSIDE, CA					FYTD: \$31,052.50

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



**City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016**

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
RIGHTWAY SITE SERVICES, INC.	229753	10/03/2016	148064	PORTABLE RESTROOMS RENTAL-EQUESTRIAN CENTER	\$591.70
		10/03/2016	148063	PORTABLE RESTROOM RENTAL-COTTONWOOD GOLF COURSE	
		10/03/2016	148065	PORTABLE RESTROOMS RENTAL-MARCH MIDDLE SCHOOL	
	229933	10/31/2016	152058	PORTABLE RESTROOMS RENTAL-MARCH MIDDLE SCHOOL	\$910.64
		10/31/2016	152056	PORTABLE RESTROOM RENTAL-COTTONWOOD GOLF COURSE	
		10/31/2016	152057	PORTABLE RESTROOMS RENTAL-EQUESTRIAN CENTER	
		10/31/2016	151429	PORTABLE RESTROOM RENTAL-PSB CAR WASH AREA	
		10/31/2016	152315	PORTABLE RESTROOM RENTAL-M&O @ CITY YARD	
Remit to: LAKE ELSINORE, CA					<u>FYTD:</u> \$3,961.50
RIVERSIDE COUNTY DEPARTMENT OF HEALTH	229934	10/31/2016	A0000415	FRA RABIES TESTING @ PUBLIC HEALTH LAB	\$100.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$200.00
RIVERSIDE COUNTY HABITAT CONSERVATION	229803	10/10/2016	3RD QTR 2016	STEPHEN'S KANGAROO RAT MITIGATION FEES FOR QTR ENDING 9/30/16	\$9,030.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$9,030.00
RIVERSIDE COUNTY INFORMATION TECHNOLOGY (RCIT)	229754	10/03/2016	IT0000000043	VPN CONNECTION FOR CODE ENFORCEMENT STAFF-JUL16	\$22.75
	229804	10/10/2016	IT0000000098	VPN CONNECTION FOR CODE ENFORCEMENT STAFF-AUG16	\$22.75
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$68.25
RIVERSIDE COUNTY TREASURER	229781	10/03/2016	RCT#0332902	REFUND-MOBILE STAGE UNIT SECURITY DEPOSIT-RCC GRAD. 2013	\$100.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$100.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
RMA GROUP	229755	10/03/2016	52964	RECHE VISTA - GEOTECH	\$1,825.00
	229900	10/24/2016	53345	RECHE VISTA - GEOTECH	\$2,120.00
Remit to: RANCHO CUCAMONGA, CA					<u>FYTD:</u> \$12,455.00
ROBINSON, DANITA	229958	10/31/2016	R16-102972	ANIMAL SHELTER REFUND-SPAY/NEUTER AND RABIES DEPOSITS	\$95.00
Remit to: COLTON, CA					<u>FYTD:</u> \$95.00
ROBLEDO, MAYRA	229944	10/31/2016	11/1-11/3/16	TRAVEL PER DIEM & MILEAGE-EXECUTIVE LEADERSHIP SUPPORT FORUM	\$207.92
Remit to: LAKE ELSINORE, CA					<u>FYTD:</u> \$207.92
RODRIGUEZ, AMERICA	229959	10/31/2016	R16-101023	ANIMAL SHELTER REFUND-SPAY/NEUTER AND RABIES DEPOSITS	\$95.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$95.00
RODRIGUEZ, APRIL	229960	10/31/2016	R16-101476	ANIMAL SHELTER REFUND-SPAY/NEUTER AND RABIES DEPOSITS	\$95.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$95.00
RODRIGUEZ, VELMA	229782	10/03/2016	R16-099633	ANIMAL SHELTER REFUND-SPAY/NEUTER AND RABIES DEPOSITS	\$95.00
Remit to: MIRA LOMA, CA					<u>FYTD:</u> \$95.00
ROGERS, JOSEPH	229887	10/18/2016	101516	SPORTS OFFICIATING SERVICES-MAYOR'S CUP BASKETBALL	\$120.00
Remit to: FONTANA, CA					<u>FYTD:</u> \$120.00
ROJAS, THEODORA H	229879	10/17/2016	MV2150713003	REFUND-PARKING CITATION OVERPAYMENT	\$50.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$50.00
ROMAN TINT, INC	229843	10/17/2016	2083	ANTI-GRAFFITI FILM & TINT-ERC STOREFRONT WINDOWS	\$2,765.79
Remit to: RIALTO, CA					<u>FYTD:</u> \$4,295.79

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
RON TURLEY ASSOC. INC	229935	10/31/2016	47452	FLEET MANAGEMENT SOFTWARE-QUARTERLY HOSTING FEES 9/1-11/30/16	\$2,220.00
Remit to: GLENDALE, AZ					FYTD: \$42,570.00
ROSS, GWENDOLYN	229961	10/31/2016	R16-103247	ANIMAL SHELTER REFUND-REFUND COST OF MICROCHIP	\$16.00
Remit to: PERRIS, CA					FYTD: \$16.00
RSG, INC	229756	10/03/2016	1001741	AFFORDABLE MULTI-FAMILY RENTAL COMPLIANCE SERVICES-AUG16	\$5,542.50
Remit to: SANTA ANA, CA					FYTD: \$30,851.24
RSI MORENO VALLEY, LLC	229787	10/03/2016	TR 27251	RELEASE GRADING & EROSION CONTROL SECURITY DEPOSIT	\$13,750.00
Remit to: NEWPORT BEACH, CA					FYTD: \$43,750.00
SALAS, BULMARO	229901	10/24/2016	FY 16/17 REIMB 1	TUITION REIMBURSEMENT-CIRT SERIES 1-10 COURSE 8/20-9/24/16	\$834.95
Remit to: RIVERSIDE, CA					FYTD: \$834.95
SALVATION ARMY	229844	10/17/2016	10/14/16 EVENT	REGIS.-7TH ANNUAL SOUP-ER STARS LUNCHEON	\$50.00
Remit to: RIVERSIDE, CA					FYTD: \$429.30
SAN BERNARDINO & RIVERSIDE CO FIRE EQUIP	18637	10/17/2016	86794	ANNUAL INSPECTION OF ANSUL SYSTEM AT SENIOR CENTER	\$1,470.96
		10/17/2016	87060	REPLACE CORRODED LEAKING PIPE AT FIRE STATION #58	
		10/17/2016	86795	ANNUAL INSPECTION OF ANSUL SYSTEM AT CONFERENCE & REC. CENTER	
		10/17/2016	86797	ANNUAL SPRINKLER SYSTEM INSPECTION AT ANIMAL SHELTER	
		10/17/2016	86798	ANNUAL SPRINKLER SYSTEM INSPECTION AT CITY HALL	
Remit to: SAN BERNARDINO, CA					FYTD: \$1,470.96

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
SCHIEFELBEIN, LORI C.	229845	10/17/2016	SEP 2016	CONSULTANT SERVICES-ROTATIONAL TOW SERVICE PROGRAM	\$1,223.75
Remit to: BULLHEAD CITY, AZ					<u>FYTD:</u> \$4,578.75
SCHROEDER, TRAVIS	229783	10/03/2016	R16-101571	ANIMAL SHELTER REFUND-ADOPT RET,CHIP,VACS	\$67.00
Remit to: EAST HIGHLAND, CA					<u>FYTD:</u> \$67.00
SCOTT FAZEKAS & ASSOCIATES, INC	229757	10/03/2016	19018	PLAN CHECK SERVICES FOR BLDG. & SAFETY-JUL16	\$2,594.97
	229846	10/17/2016	19090	PLAN CHECK SERVICES-BLDG. & SAFETY-AUG16	\$1,683.98
Remit to: IRVINE, CA					<u>FYTD:</u> \$7,783.33
SEARLE CREATIVE GROUP, LLC	18675	10/24/2016	16491	EDD BRAND/WEBSITE DEVELOPMENT-100% PROGRESS	\$14,330.00
Remit to: VENTURA, CA					<u>FYTD:</u> \$35,117.50
SECTRAN SECURITY, INC	229936	10/31/2016	16100785	ARMORED TRANSPORT SERVICES-OCT16	\$472.50
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$1,894.50
SIGNS BY TOMORROW	229805	10/10/2016	18077	MAINT. & INSTALLATION OF PUBLIC HEARING NOTIFICATION SIGNS	\$972.00
		10/10/2016	18065	MAINT. & INSTALLATION OF PUBLIC HEARING NOTIFICATION SIGNS	
		10/10/2016	18187	MAINT. & INSTALLATION OF PUBLIC HEARING NOTIFICATION SIGNS	
		10/10/2016	18186	MAINT. & INSTALLATION OF PUBLIC HEARING NOTIFICATION SIGNS	
Remit to: MURRIETA, CA					<u>FYTD:</u> \$1,215.00
SKECHERS	229826	10/10/2016	MVU 7013669-02	PBI SOLAR REBATE INCENTIVE	\$5,861.76
Remit to: MANHATTAN BEACH, CA					<u>FYTD:</u> \$27,233.70

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
SKY TRAILS MOBILE VILLAGE	18710	10/31/2016	OCT 2016	REFUNDS - UTILITY USER'S TAX	\$20.30
Remit to: LOS ANGELES, CA					FYTD: \$65.09
SMITH SR., QUARAN	229888	10/18/2016	101516	SPORTS OFFICIATING SERVICES-MAYOR'S CUP BASKETBALL	\$120.00
Remit to: RIVERSIDE, CA					FYTD: \$120.00
SMITH, MARSH	229962	10/31/2016	R16-102500	ANIMAL SHELTER REFUND-SPAY/NEUTER AND RABIES DEPOSITS	\$95.00
Remit to: CAPISTRANO BEACH, CA					FYTD: \$95.00
SMITH, SHAUNTEE	229963	10/31/2016	1407478	COTTONWOOD GOLF CTR. RENTAL REFUND DEPOSIT	\$200.00
Remit to: PERRIS, CA					FYTD: \$200.00
SOCO GROUP, INC	18638	10/17/2016	0320965-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	\$19,363.04
		10/17/2016	0314339-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/17/2016	0321739-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/17/2016	0322998-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/17/2016	0315139-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/17/2016	0317655-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/17/2016	0319677-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/17/2016	0316485-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
		10/17/2016	0318860-IN	FUEL FOR CITY VEHICLES & EQUIPMENT	
Remit to: PERRIS, CA					FYTD: \$82,237.48
SOLIS, JOSE	229912	10/24/2016	1394341	REFUND SENIOR CTR RENTAL 30120	\$300.00
Remit to: MORENO VALLEY, CA					FYTD: \$300.00
SOSA, HUGO	18676	10/24/2016	OCT-2016	INSTRUCTOR SERVICES-TRADITIONAL KARATEDO CLASS	\$453.60
Remit to: RANCHO CUCAMONGA, CA					FYTD: \$1,328.40

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
SOUTH COAST AIR QUALITY MGMT DISTRICT	229937	10/31/2016	3011589	EMISSIONS FEES-ANIMAL SHELTER	\$479.21
		10/31/2016	3008980	ANNUAL RENEWAL FEES-DIESEL GENERATOR AT ANIMAL SHELTER	
Remit to: DIAMOND BAR, CA					<u>FYTD:</u> \$1,416.94
SOUTHERN CALIFORNIA EDISON 1	229758	10/03/2016	SEP-16 10/3/16	ELECTRICITY CHARGES	\$5,699.72
	229806	10/10/2016	SEP-16 10/10/16	ELECTRICITY CHARGES	\$8,800.51
	229903	10/24/2016	7500665015	UTILITY RELOCATION-RTE60/MORENO BEACH INTERCHANGE T/S	\$229.37
	229938	10/31/2016	OCT-16 10/31/16	ELECTRICITY CHARGES	\$2,068.85
		10/31/2016	SEP-16 10/31/16	ELECTRICITY CHARGES	
Remit to: ROSEMEAD, CA					<u>FYTD:</u> \$1,211,509.58
SOUTHERN CALIFORNIA GAS CO.	229848	10/17/2016	SEP-2016	GAS CHARGES	\$3,635.30
Remit to: MONTEREY PARK, CA					<u>FYTD:</u> \$12,916.99
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	18599	10/10/2016	0616	CALETC MEMBERSHIP FEES	\$1,666.67
Remit to: GLENDORA, CA					<u>FYTD:</u> \$83,528.18
SOUTHERN PET SUPPLIES	18639	10/17/2016	9605	PET SUPPLIES-ASSORTED COLLARS, LEADS, & HARNESES	\$700.85
Remit to: SAN DIEGO, CA					<u>FYTD:</u> \$1,303.60
SOUTHSTAR ENGINEERING& CONSULTING, INC.	229759	10/03/2016	3	NASON/CACTUS TO FIR - CONSULTANT SERVICES	\$170.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$170.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
SPARKLETTS	18564	10/03/2016	10050036 080216	BOTTLED WATER SVC./COOLER RENTAL FOR EOC/ERF	\$91.74
		10/03/2016	10050036 070216	BOTTLED WATER SVC./COOLER RENTAL FOR EOC/ERF	
		10/03/2016	10050036 090216	BOTTLED WATER SVC./COOLER RENTAL FOR EOC/ERF	
Remit to: DALLAS, TX					FYTD: \$336.79
SPRINT	18640	10/17/2016	634235346-073	CELLULAR PHONE SERVICE-PD SET UNIT	\$57.82
Remit to: CAROL STREAM, IL					FYTD: \$261.28
STANDARD INSURANCE CO	229760	10/03/2016	160901	SUPPLEMENTAL INSURANCE	\$2,029.38
		10/03/2016	161001	SUPPLEMENTAL INSURANCE	
Remit to: PORTLAND, OR					FYTD: \$4,139.48
STATE BOARD OF EQUALIZATION	229904	10/24/2016	3RD QTR 2016	ACCT# 31-000177-ELECTRICAL ENERGY SURCHARGE RETURN/JUL-SEPT 2016	\$15,302.76
Remit to: SACRAMENTO, CA					FYTD: \$28,026.59
STATE BOARD OF EQUALIZATION 1	18720	10/27/2016	3RD QTR 2016	SALES & USE TAX REPORT FOR THE QTR ENDING 9/30/16	\$4,647.00
Remit to: SACRAMENTO, CA					FYTD: \$12,858.00

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
STATE OF CALIFORNIA DEPT. OF JUSTICE	229761	10/03/2016	189328	BLOOD ALCOHOL ANALYSIS SERVICES FOR PD-AUG 2016	\$3,716.00
		10/03/2016	184959	LIVE SCAN FINGERPRINTING APPS FOR PD-AUG 2016	
	229849	10/17/2016	179634 (BL)	FINGERPRINTING SERVICES-BUSINESS LICENSE RELATED-JUL16	\$957.00
		10/17/2016	179634 (HR)	FINGERPRINTING SERVICES-HR/EMPLOYMENT/VOLUNTEERS RELATED-JUL16	
	229939	10/31/2016	195813	BLOOD ALCOHOL ANALYSIS SERVICES FOR PD-JUL 2016 RE-BILL	\$595.00
		10/31/2016	195798	BLOOD ALCOHOL ANALYSIS SERVICES FOR PD-APR/MAY 2016 RE-BILL	
		10/31/2016	195256	BLOOD ALCOHOL ANALYSIS SERVICES FOR PD-SEP 2016	
Remit to: SACRAMENTO, CA					FYTD: \$15,156.00
STEVENS, TERRIE	229911	10/24/2016	11/1-11/4/16	TRAVEL PER DIEM-CALPELRA 2016 CONFERENCE	\$259.00
Remit to: FULLERTON, CA					FYTD: \$259.00
STILES ANIMAL REMOVAL, INC.	229850	10/17/2016	106993	DECEASED LARGE ANIMAL REMOVAL SERVICES-SEP16	\$150.00
Remit to: GUAISTI, CA					FYTD: \$300.00
STRADLING, YOCCA, CARLSON & RAUTH	18566	10/03/2016	313631-0002	LEGAL SERVICES-DAY & ALESSANDRO MATTERS	\$2,321.00
	18677	10/24/2016	313628-0032	LEGAL SERVICES-HOME AGREEMENTS (22889 & 22899 ALLIES)	\$325.00
Remit to: NEWPORT BEACH, CA					FYTD: \$13,060.42
STUDIO 33 PRODUCTIONS	229790	10/06/2016	825-REVISED	SOUND PRODUCTION FOR JULY 4TH 2016 EVENT	\$10,855.00
Remit to: COLTON, CA					FYTD: \$10,855.00
SUNNYMEAD ACE HARDWARE	229851	10/17/2016	68615	MISC. SUPPLIES FOR PD	\$46.93
		10/17/2016	68348	MISC. SUPPLIES FOR PD	
Remit to: MORENO VALLEY, CA					FYTD: \$504.39

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

Vendor Name	Check/EFT Number	Payment Date	Inv Number	Invoice Description	Payment Amount
THE ADVANTAGE GROUP/ FLEX ADVANTAGE	18641	10/17/2016	94247	FLEX AND COBRA ADMIN FEES-SEPT16	\$1,364.25
Remit to: TEMECULA, CA					FYTD: \$185,957.15
THE LEW EDWARDS GROUP	229808	10/10/2016	5052	PROFESSIONAL SVCS-FISCAL SUSTAINABILITY CONSULTING SVCS	\$17,866.97
	229852	10/17/2016	0003	PROFESSIONAL SVCS-FISCAL SUSTAINABILITY-SEPT16	\$6,250.00
	229905	10/24/2016	5053	PROFESSIONAL SVCS-TOT PUBLIC OUTREACH-INFORMATIONAL MAILER #3	\$17,844.97
Remit to: OAKLAND, CA					FYTD: \$101,842.91
THERMAL COMBUSTION INNOVATORS	229762	10/03/2016	164475	HAZARDOUS MATERIAL PICK-UP SERVICES AT ANIMAL SHELTER-SEP16	\$101.58
Remit to: COLTON, CA					FYTD: \$406.60
THERMAL-COOL INC.	229763	10/03/2016	WO-0010012	A/C UNIT ROUTINE MAINT.-SUNNYMEAD PARK SNACK BAR	\$85.00
	229809	10/10/2016	WO-0010023	A/C UNIT ROUTINE MAINT.-EQUESTRIAN CENTER	\$86.00
Remit to: RIVERSIDE, CA					FYTD: \$171.00
THOMPSON COBURN LLP	18642	10/17/2016	3189179	LEGAL SERVICES-MVU-RELIABILITY STANDARD COMPLIANCE-AUG16	\$60.43
Remit to: WASHINGTON, DC					FYTD: \$197.06
THOMSON REUTERS-WEST PUBLISHING CORP.	18568	10/03/2016	834655591	AUTO TRACK SERVICES FOR PD INVESTIGATIONS-AUG16	\$904.78
	18711	10/31/2016	834831673	AUTO TRACK SERVICES FOR PD INVESTIGATIONS-SEP16	\$905.78
Remit to: CAROL STREAM, IL					FYTD: \$4,536.53

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
T-MOBILE	229784	10/03/2016	P16-014	REFUND-PLANNING APPLICATION FEES	\$850.00
	229785	10/03/2016	PA16-0011	REFUND-PLANNING APPLICATION FEES	\$2,806.00
Remit to: IRVINE, CA					<u>FYTD:</u> \$3,656.00
TRICHE, TARA	18643	10/17/2016	OCT-2016	INSTRUCTOR SERVICES-DANCE CLASSES	\$2,664.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$7,725.60
TROXELL, JIM	229964	10/31/2016	R16-100776	ANIMAL SHELTER REFUND-SPAY/NEUTER DEPOSIT	\$75.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$95.00
TTG ENGINEERS	229810	10/10/2016	110174	DESIGN, BRIDGE PREVENTATIVE MAINTENANCE, 802 0002	\$3,525.00
Remit to: PASADENA, CA					<u>FYTD:</u> \$46,283.54
TUKES, JOSHUA	18712	10/31/2016	OCT-2016	INSTRUCTOR SERVICES-WATERCOLOR TECHNIQUE CLASSES	\$184.80
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$773.40

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
ULTRASERV AUTOMATED SERVICES, LLC	229764	10/03/2016	3590:042083	COFFEE SERVICE SUPPLIES-ANNEX 1	\$417.89
		10/03/2016	3590:042551	COFFEE SERVICE SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION	
		10/03/2016	3590:042583	COFFEE SERVICE SUPPLIES-CITY YARD	
		10/03/2016	3590:041835	COFFEE SERVICE SUPPLIES-CONFERENCE & REC. CENTER	
	229940	10/31/2016	3590:043672	COFFEE SERVICE SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION	\$997.73
		10/31/2016	3590:043678	COFFEE SERVICE SUPPLIES-ANIMAL SHELTER	
		10/31/2016	3590:043676	COFFEE SERVICE SUPPLIES-CITY YARD	
		10/31/2016	3590:043132	COFFEE SERVICE SUPPLIES-CITY HALL/BREAK ROOM LOCATION	
		10/31/2016	3590:043134	COFFEE SERVICE SUPPLIES-ANNEX 1	
		10/31/2016	3590:043386	COFFEE SERVICE SUPPLIES-CITY YARD	
	10/31/2016	3590:043130	COFFEE SERVICE SUPPLIES-CITY HALL/PUBLIC WORKS LOCATION		
	10/31/2016	3590:043674	COFFEE SERVICE SUPPLIES-CITY HALL		
Remit to: COSTA MESA, CA					<u>FYTD:</u> \$7,973.55
UNDERGROUND SERVICE ALERT	18602	10/10/2016	820160458(c)	DIGALERT TICKETS SUBSCRIPTION SERVICE-AUG16	\$357.00
		10/10/2016	820160458(d)	DIGALERT TICKETS SUBSCRIPTION SERVICE-AUG16	
		10/10/2016	820160458(a)	DIGALERT TICKETS SUBSCRIPTION SERVICE-AUG16	
		10/10/2016	820160458(b)	DIGALERT TICKETS SUBSCRIPTION SERVICE-AUG16	
Remit to: CORONA, CA					<u>FYTD:</u> \$846.00
UNION BANK OF CALIFORNIA 1	229811	10/10/2016	999003	INVESTMENT CUSTODIAL SERVICES-AUG16	\$395.67
	229941	10/31/2016	1003569	INVESTMENT CUSTODIAL SERVICES-SEP16	\$335.67
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$1,477.68

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
UNITED ROTARY BRUSH CORP	18570	10/03/2016	292245	STREET SWEEPER BRUSHES	\$1,039.17
		10/03/2016	292139	STREET SWEEPER BRUSH KITS/RECONDITIONING	
	18644	10/17/2016	292364	STREET SWEEPER BRUSHES	\$1,115.98
		10/17/2016	292594	STREET SWEEPER BROOM KITS/RECONDITIONING	
Remit to: KANSAS CITY, MO					<u>FYTD:</u> \$12,618.01
UNITED SITE SERVICES OF CA, INC.	18645	10/17/2016	114-4417372	FENCE RENTAL AT ANIMAL SHELTER 9/1-9/28/16	\$106.65
Remit to: PHOENIX, AZ					<u>FYTD:</u> \$1,454.25
UNIVERSITY OF CALIFORNIA, DAVIS	229765	10/03/2016	S1607204	LABORATORY TEST-MV ANIMAL SHELTER	\$120.00
Remit to: DAVIS, CA					<u>FYTD:</u> \$120.00
URRUTIA, DIALENA	18713	10/31/2016	OCT-2016	INSTRUCTOR SERVICES-INTERNATIONAL LATIN DANCE CLASS	\$54.00
Remit to: RIVERSIDE, CA					<u>FYTD:</u> \$519.60
USA MOBILITY/ARCH WIRELESS	18714	10/31/2016	Z6218870J	PAGER SERVICE FOR ON-CALL TRAFFIC SIGNAL MAINT. STAFF-OCT16	\$4.69
Remit to: SPRINGFIELD, VA					<u>FYTD:</u> \$28.13
VAL VERDE UNIFIED SCHOOL DISTRICT	229907	10/24/2016	J2602	TEAM APPAREL FOR SPORTS PROGRAM-T-BALL 2016	\$5,675.00
		10/24/2016	J2603	TEAM APPAREL FOR SPORTS PROGRAM-SUMMER BASKETBALL LEAGUE	
		10/24/2016	J2621	TEAM APPAREL FOR SPORTS PROGRAM-SUMMER BASKETBALL LEAGUE	
Remit to: PERRIS, CA					<u>FYTD:</u> \$6,315.50

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
 For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
VARGAS, JULIA	229786	10/03/2016	1400100	TOWNGATE CTR RENTAL REFUND DEPOSIT MINUS BALANCE ON ACCT	\$150.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$150.00
VASQUEZ & COMPANY LLP	18603	10/10/2016	2160717	PROFESSIONAL SERVICES-REVIEW OF FINANCIAL PROCEDURES/PRACTICES	\$19,896.25
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$73,058.75
VENEGAS, JESUS	229880	10/17/2016	R16-102853	ANIMAL SHELTER REFUND-ADOPTION AND 1 YR LICENSE	\$65.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$65.00
VERIZON WIRELESS	229766	10/03/2016	9771840829	CELLULAR SERVICE FOR PD TRAFFIC TICKET WRITERS	\$99.99
Remit to: DALLAS, TX					<u>FYTD:</u> \$299.97
VICTOR MEDICAL CO	229853	10/17/2016	4096840	ANIMAL MEDICAL SUPPLIES & VACCINES	\$824.85
		10/17/2016	4090254	ANIMAL MEDICAL SUPPLIES & VACCINES	
Remit to: LAKE FOREST, CA					<u>FYTD:</u> \$11,200.99
VICTORY OUTREACH CHURCH	229881	10/17/2016	10/1/16 EVENT	SPONSORSHIP-"BLOOD IN/BLOOD OUT" VICTORY OUTREACH EVENT	\$100.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$721.30
VISION SERVICE PLAN	18571	10/03/2016	160901	EMPLOYEE VISION INSURANCE	\$8,376.96
		10/03/2016	161001	EMPLOYEE VISION INSURANCE	
Remit to: SAN FRANCISCO, CA					<u>FYTD:</u> \$16,492.91



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
VOYAGER FLEET SYSTEM, INC.	18572	10/03/2016	869336602635	FUEL CARD CHARGES-PD TRAFFIC MOTORS	\$928.17
	18604	10/10/2016	869211615639	CNG FUEL CHARGES	\$3,348.58
	18716	10/31/2016	869211615644	CNG FUEL CHARGES	\$5,086.37
		10/31/2016	869336602639	FUEL CARD CHARGES-PD TRAFFIC MOTORS	
Remit to: HOUSTON, TX					<u>FYTD:</u> \$18,708.24
VULCAN MATERIALS CO, INC.	18679	10/24/2016	71244086	ASPHALTIC MATERIALS	\$645.53
		10/24/2016	71250379	ASPHALTIC MATERIALS	
		10/24/2016	71263959	ASPHALTIC MATERIALS	
		10/24/2016	71267157	ASPHALTIC MATERIALS	
		10/24/2016	71250380	ASPHALTIC MATERIALS	
		10/24/2016	71247938	ASPHALTIC MATERIALS	
		10/24/2016	71246200	ASPHALTIC MATERIALS	
		10/24/2016	71244087	ASPHALTIC MATERIALS	
Remit to: LOS ANGELES, CA					<u>FYTD:</u> \$32,639.28
WATANABE, ARIANA	229827	10/10/2016	R16-101649	ANIMAL SHELTER REFUND-SPAY/NEUTER AND RABIES DEPOSITS	\$95.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$95.00
WEBER, JOAN	229882	10/17/2016	16257187	REFUND REQUEST - FALSE ALARM NON BILLABLE	\$32.00
Remit to: MORENO VALLEY, CA					<u>FYTD:</u> \$32.00
WELLS FARGO CORPORATE TRUST	18680	10/24/2016	W161006	TRANSFER FUNDS TO TRUSTEE FOR CFD#7 IMP AREA 1	\$19,512.50
Remit to: MINNEAPOLIS, MN					<u>FYTD:</u> \$4,317,014.48

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



**City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016**

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
WESTERN MUNICIPAL WATER DISTRICT	229908	10/24/2016	23821-018258/SP6	WATER CHARGES-MARCH FIELD PARK COMMUNITY CTR.-BLDG. 938	\$2,302.90
		10/24/2016	23866-018292/SP6	WATER CHARGES-SKATE PARK	
		10/24/2016	24753-018620/SP6	WATER CHARGES-M.A.R.B. BALLFIELDS	
		10/24/2016	23821-018257/SP6	WATER CHARGES-MARCH FIELD PARK COMMUNITY CTR. LANDSCAPE	
Remit to: ARTESIA, CA					FYTD: \$11,435.31
WILLIS, ROBERT H	229767	10/03/2016	091816	SPORTS OFFICIATING SERVICES-SOFTBALL	\$42.00
	229812	10/10/2016	092516	SPORTS OFFICIATING SERVICES-SOFTBALL	\$42.00
Remit to: PERRIS, CA					FYTD: \$819.00
WINTERS, KAREN	229965	10/31/2016	R16-101868	ANIMAL SHELTER REFUND-SPAY/NEUTER DEPOSIT	\$75.00
Remit to: RIVERSIDE, CA					FYTD: \$75.00
WRCRCA	229813	10/10/2016	SEP-2016 MSHCP	MSHCP FEES COLLECTED FOR SEPT. 2016-RESIDENTIAL & COMMERCIAL	\$9,730.80
Remit to: RIVERSIDE, CA					FYTD: \$245,948.00
XEROX CAPITAL SERVICES, LLC	18574	10/03/2016	086170447	COPIER LEASE/BILLABLE PRINTS FOR PARKS DEPT.-AUG16	\$3,078.11
		10/03/2016	086055069	COPIER LEASE/BILLABLE PRINTS-GRAPHICS DEPT.-AUG16	
		10/03/2016	086055071	COPIER LEASE FOR PARKS DEPT.-AUG16	
		10/03/2016	086055070	COPIER LEASE-GRAPHICS DEPT.-SEP16	
	18647	10/17/2016	086450973	COPIER LEASE FOR PARKS DEPT.-SEP16	\$2,564.48
		10/17/2016	086519322	COPIER LEASE/BILLABLE PRINTS FOR PARKS DEPT.-SEP16	
		10/17/2016	086450972	COPIER LEASE-GRAPHICS DEPT.-OCT16	
		10/17/2016	086450971	COPIER LEASE/BILLABLE PRINTS-GRAPHICS DEPT.-SEP16	
Remit to: PASADENA, CA					FYTD: \$11,769.66

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



City of Moreno Valley
Payment Register
For Period 10/1/2016 through 10/31/2016

CHECKS UNDER \$25,000

<u>Vendor Name</u>	<u>Check/EFT Number</u>	<u>Payment Date</u>	<u>Inv Number</u>	<u>Invoice Description</u>	<u>Payment Amount</u>
XEROX FINANCIAL SERVICES LLC	18605	10/10/2016	586164	EDD COLOR COPIER LEASE 7/15-8/14/16	\$784.62
	18648	10/17/2016	608133	EDD COLOR COPIER LEASE 8/15-9/14/16	\$1,714.54
		10/17/2016	631909	EDD COLOR COPIER LEASE 9/15-10/14/16	
Remit to: DALLAS, TX					<u>FYTD:</u> \$3,283.78

TOTAL CHECKS UNDER \$25,000 **\$1,023,024.50**

GRAND TOTAL **\$13,247,749.14**

Attachment: October 2016 - Payment Register (2382 : PAYMENT REGISTER - OCTOBER 2016)



Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: January 3, 2017

TITLE: PUBLIC HEARING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM MAIL BALLOT PROCEEDING

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Conduct the Public Hearing and accept public testimony regarding the mail ballot proceedings for First Industrial, LP and Miller-Jones Mortuary for approval of the National Pollutant Discharge Elimination System (NPDES) maximum commercial/industrial regulatory rate to be applied to the property tax bill.
2. Direct the City Clerk to count the returned NPDES ballots.
3. Verify and accept the results of the mail ballot proceedings as maintained by the City Clerk on the Official Tally Sheet.
4. Receive and file the Official Tally Sheet with the City Clerk's office.
5. If approved, authorize and impose the NPDES maximum commercial/industrial regulatory rate to the Assessor's Parcel Numbers mentioned in this report.

SUMMARY

The action before the City Council is to conduct a Public Hearing for a National Pollutant Discharge Elimination System (NPDES) mail ballot proceeding. The process to accept sixteen parcels into the City's NPDES financing program affects two property owners, not the general citizens or taxpayers of the City.

The City requires property owners of new development projects to mitigate the cost of certain impacts created by the proposed development, such as the cost of complying

with the state and federal NPDES requirements. As a condition of approval, the property owners are required to provide an ongoing funding source to offset those costs. The City offers a financing program to assist property owners in satisfying the funding requirement. After a property owner elects to approve the City's NPDES rate through a mail ballot proceeding, the City can levy the rate on the property tax bill of the authorized parcel(s). Attachment 3 outlines the steps to participate in the City's NPDES financing program.

The revenue generated by this program provides a funding source to monitor pollution control of storm water runoff into municipally owned drainage facilities, lessening the financial impact of compliance with the state and federal requirements on the general taxpayer in Moreno Valley.

First Industrial, LP is approved to construct a 1.4 million square foot warehouse (southwest corner of Nandina Ave. and Indian St.) and Miller-Jones Mortuary is approved to expand the current facility (north side of Sunnymead Blvd. east of Graham St.). First Industrial, LP and Miller-Jones Mortuary ("Property Owners") have requested the City conduct a mail ballot proceeding, which if approved, will satisfy their condition of approval for NPDES funding.

DISCUSSION

The Clean Water Act of 1987 established requirements for the discharge of Urban Runoff from Municipal Separate Storm Sewer Systems under the NPDES Program. The Santa Ana Regional Water Quality Control Board administers the NPDES Program through the issuance of a Permit. The NPDES Program requires public agencies to obtain coverage under the Permit to discharge urban storm water runoff from municipally owned drainage facilities, including streets, highways, storm drains, and flood control channels. The City's current NPDES Permit requires all new development projects to comply with storm water management requirements.

As a condition of approval for development projects, the Land Development Division (Public Works Department) requires property owners to provide an ongoing funding source for the NPDES Program. The City Council adopted the NPDES residential regulatory rate on June 10, 2003, and the NPDES commercial/industrial regulatory rate on January 10, 2006. These funds support the increased compliance activities related to the development. They also reduce the financial impact to the General Fund and maintain compliance with the unfunded requirements of the Permit. The City's storm water management activities include annual and periodic facility inspections for site design, NPDES permit compliance, implementation of Best Management Practices and maintenance for specified facilities.

The Property Owners are required to provide an ongoing funding source for the NPDES program as a condition of approval. Detailed information for the properties subject to the condition of approval is listed in the following table.

Property Owner/Project	Assessor's Parcel Numbers	Location	FY 2016/17 NPDES Maximum Rate(s)
First Industrial, LP PA13-0037	316-210-002, 316-210-003, 316-210-004, 316-210-005, 316-210-006, 316-210-007, 316-210-008, 316-210-009, 316-210-010, 316-210-011, 316-210-016, 316-210-017, 316-210-018, 316-210-051, 316-210-055	southwest corner of Nandina Ave. and Indian St.	\$232.28/parcel commercial/industrial
Miller-Jones Mortuary P12-111	292-230-043	north side of Sunnymead Blvd. east of Graham St.	\$232.28/parcel commercial/industrial

The Property Owners have two options to satisfy the condition of approval:

- 1) Approve the NPDES rate and authorize the City to collect the rate on the annual Riverside County property tax bill through participation in a mail ballot proceeding; or
- 2) Fund an endowment.

The Property Owners have decided to have the NPDES rate applied to the annual property tax bill. The Property Owners must first approve the rate and authorize the City to do so through a mail ballot proceeding. A mail ballot proceeding is a legally required process to approve new charges or an increase to existing charges on property tax bills (Proposition 218). The Property Owners were mailed a notice along with a ballot to cast their vote (Attachment 1 and 2). The notice detailed the purpose and amount of the charge and the potential annual inflationary adjustment. The City is required to provide the Property Owners with 45 days to review the notice and an opportunity to address the City Council. Property Owners will have an opportunity to address the City Council during the public comment portion of the Public Hearing. The ballots are due to the City Clerk prior to the close of the Public Hearing. At the close of the Public Hearing, the ballots can be opened and counted, and results announced.

Approval of the NPDES annual rate and approval to apply it on the property tax bill satisfies this condition of approval for the projects. In the event a Property Owner does not return their ballot, does not approve the ballot, or returns an invalid ballot (unmarked or unsigned), this condition of approval will remain unsatisfied and may delay the development.

This action meets the Strategic Plan Priorities by managing and maximizing Moreno Valley's public infrastructure to ensure an excellent quality of life, develop and implement innovative, cost effective infrastructure maintenance programs, public facilities management strategies, and capital improvement programming and project delivery.

ALTERNATIVES

1. Conduct the Public Hearing and upon its close, count and verify the returned ballots and accept the results. *Staff recommends this alternative as it will satisfy the project's condition of approval if the Property Owner approves their ballot.*

2. Open the Public Hearing and continue it to a future regular City Council meeting. *Staff does not recommend this alternative as it will delay announcement of the ballot results and may delay project development.*
3. Do not conduct the Public Hearing. *Staff does not recommend this alternative as it will delay the Property Owners from satisfying the condition of approval and may delay project development. Additional costs will be incurred to restart the 45-day noticing period.*
4. Do not conduct the Public Hearing at this time but reschedule it to a date certain during a regular City Council meeting. *Staff does not recommend this alternative as it may delay project development and will incur additional costs to restart the 45-day noticing period.*

FISCAL IMPACT

The fiscal year (FY) 2016/17 NPDES maximum commercial/industrial regulatory rate is \$232.28 per parcel, and any division thereof. The NPDES maximum regulatory rate for FY 2017/18 and each subsequent FY is subject to an annual inflationary adjustment, provided the City Council approves such increase each year. The annual increase cannot exceed the annual inflationary adjustment without approval of the property owners subject to the charge.

Revenue received from the NPDES rate is restricted and can only be used within the storm water management program. This revenue offsets storm water management program expenses, which reduces financial impacts to the General Fund and maintains compliance with the unfunded requirements of the Permit. The NPDES rate is only applied to the property tax bills of parcels wherein their property owners have previously provided approval.

NOTIFICATION

The ballot documents were mailed to the Property Owners at least 45-days in advance of the Public Hearing. The documents included a notice to the Property Owners, map of the project area, NPDES ballot, NPDES commercial/industrial rate schedule, instructions for marking and returning the ballot, and a postage paid return envelope addressed to the City Clerk.

Newspaper advertising for the January 3, 2017 Public Hearing was published in The Press-Enterprise on December 15, 2016 and again on December 22, 2016.

PREPARATION OF STAFF REPORT

Prepared by:
Jennifer Terry,
Senior Management Analyst

Department Head Approval:
Ahmad R. Ansari, P.E.,
Public Works Director/City Engineer

Concurred by:
Candace E. Cassel,
Special Districts Division Manager

Concurred by:
Michael Lloyd,
Land Development Division Manager

CITY COUNCIL GOALS

Advocacy. Develop cooperative intergovernmental relationships and be a forceful advocate of City policies, objectives, and goals to appropriate external governments, agencies and corporations.

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

See the Discussion section above for details of how this action supports the City Council’s Strategic Priorities.

ATTACHMENTS

- 1. First Industrial LP Mail Ballot Documents
- 2. Miller-Jones Mail Ballot Documents
- 3. Flowchart

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/18/16 3:42 PM
City Attorney Approval	<u>✓ Approved</u>	12/19/16 7:45 AM
City Manager Approval	<u>✓ Approved</u>	12/19/16 1:54 PM

TEL: 951.413.3480
 FAX: 951.413.3498
 WWW.MOVAL.ORG



14331 FREDERICK STREET, SUITE 2
 P. O. BOX 88005
 MORENO VALLEY, CA 92552-0805

First Industrial, LP
 Attn: Ryan McClean
 898 N Sepulveda Blvd, Suite 175
 El Segundo, CA 90245

October 20, 2016

NOTICE TO PROPERTY OWNER-MAIL BALLOT PROCEEDING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAXIMUM COMMERCIAL/INDUSTRIAL REGULATORY RATE FOR APNs 316-210-002, 316-210-003, 316-210-004, 316-210-005, 316-210-006, 316-210-007, 316-210-008, 316-210-009, 316-210-010, 316-210-011, 316-210-016, 316-210-017, 316-210-018, 316-210-051, and 316-210-055

******* OFFICIAL BALLOT ENCLOSED *******

Introduction

In November of 1996, California voters passed Proposition 218 (“The Right to Vote on Taxes Act”). As a result, any new or proposed increase in a property-related charge requires approval by the property owner of record. In compliance with Proposition 218 legislation, the City of Moreno Valley Special Districts Division is conducting a mail ballot proceeding to provide the owner of Assessor’s Parcel Numbers (APNs) 316-210-002, 316-210-003, 316-210-004, 316-210-005, 316-210-006, 316-210-007, 316-210-008, 316-210-009, 316-210-010, 316-210-011, 316-210-016, 316-210-017, 316-210-018, 316-210-051, and 316-210-055 the opportunity to express support for or opposition to the approval of the NPDES Maximum Commercial/Industrial Regulatory Rate and services. Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding fulfills Land Development Division’s Condition of Approval LD52 to provide a funding source for the NPDES financial program.

Background

The Clean Water Act of 1987 established requirements for the discharge of Urban Runoff from Municipal Separate Storm Sewer Systems under the National Pollution Discharge Elimination System (NPDES) Program. The NPDES Program is administered by the Santa Ana Regional Water Quality Control Board through the issuance of a Permit. The City’s current NPDES Permit mandates all new development projects comply with storm water management activities. The NPDES Program requires public agencies to obtain coverage under the Permit to discharge urban storm water runoff from municipally owned drainage facilities, including streets, highways, storm drains, and flood control channels.

Services Provided

In compliance with the Federal Clean Water Act, the City of Moreno Valley shall provide annual and periodic facility inspections for site design, NPDES permit compliance, and Best Management Practices implementation and maintenance for specified facilities.

How is the Amount of the Charge Determined?

Each fiscal year (FY), the City of Moreno Valley determines the type of services necessary to comply with NPDES Permit requirements and levies the rate applicable for that service, not to exceed the rate previously approved by the property owner.

Proposed Charge

For FY 2016/17, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$232.28 per parcel. The total amount of the NPDES rates levied for FY 2016/17 for the program as a whole was \$460,001.98.

Annual Adjustment

Beginning in FY 2017/18, the NPDES Maximum Commercial/Industrial Regulatory Rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics.

Duration of the Charge

Upon approval of the NPDES Maximum Commercial/Industrial Regulatory Rate, the annual levy amount will be assessed to APNs 316-210-002, 316-210-003, 316-210-004, 316-210-005, 316-210-006, 316-210-007, 316-210-008, 316-210-009, 316-210-010, 316-210-011, 316-210-016, 316-210-017, 316-210-018, 316-210-051, and 316-210-055 (and any division thereof) and shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. The NPDES Maximum Commercial/Industrial Regulatory Rate will be levied each following year at the proposed rate, which includes an annual inflation adjustment.

Public Hearing

To provide information concerning this mail ballot proceeding the City has scheduled a Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

<p style="text-align: center;"><u>Public Hearing</u> Tuesday, December 6, 2016 6:00 P.M. (Or As Soon Thereafter As The Matter May Be Called)</p>

Tabulation of returned ballots will commence after the close of the public testimony portion of the Public Hearing. All ballots received shall be tabulated under the direction of the City Clerk in compliance with the City's Policy For Conducting Mail Ballot Proceedings Policy #1.12.

Effect if the Charge is Approved

Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate will be confirmed if the ballot is marked in favor of the NPDES rate. Approving the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding will fulfill the Land Development Division's Condition of Approval LD52 to provide an ongoing funding source for the NPDES financial program.

Attachment: First Industrial LP Mail Ballot Documents (2309 : PUBLIC HEARING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION

Effect if the Charge is Not Approved

Not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to meet state and federally mandated NPDES Permit requirements will not satisfy the Land Development Division's Condition of Approval LD52 to provide a funding source for the NPDES financial program. If the returned ballot is marked "No", the NPDES rate will not be levied on the property tax bill.

Effect if the Ballot is Deemed Invalid or Incomplete

Not marking the corresponding box on the ballot in support of or opposition to the proposed program and annual rate and/or not signing the ballot will result in an invalid ballot. In order to satisfy the Land Development Division's Condition of Approval LD52 by placement of the NPDES rate on the annual property tax bill, the mail ballot proceeding and 45-day noticing period will need to start over. Reinitiating the process will require payment of the mail ballot proceeding fee.

For More Information

If you have any questions about the mail ballot proceeding process, please contact Jennifer Terry, Senior Management Analyst, with the City's Special Districts Division at 951.413.3505 or via email at JenniferT@moval.org during the City's business hours.

Questions regarding the NPDES financial program, the annual rate, or the Land Development Division's Conditions of Approval should be directed to the Land Development Division at 951.413.3120 or via email at landdevelopment@moval.org during the City's business hours.

The City's business hours are Monday through Thursday from 7:30 a.m. to 5:30 p.m. and Friday from 7:30 a.m. to 4:30 p.m.








Completing Your Ballot

Please follow the instructions below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballot are also on file in the City Clerk's office.

1. Mark the enclosed ballot in support of or opposition to the proposed program and annual rate **by placing a mark in the corresponding box**. Ballots received without a designated vote will be considered invalid.
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted*.
3. Mail or personally deliver your completed ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the public testimony portion of the Public Hearing scheduled for **Tuesday, December 6, 2016**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:

-  A check mark substantially inside a box;
-  An X mark substantially inside a box;
-  A dot or oval mark substantially inside a box;
-  A completely shaded or filled mark substantially inside a box;
-  A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;
-  A circle around the box and/or associated clause; or
-  A square or rectangle around the box and/or associated clause.

Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time **prior** to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**





COMMON INTEREST, COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE NPDES RATE SCHEDULE
 Adopted by the City Council on January 10, 2006

LEVEL 1			- LEVEL II		
NPDES Administration			Site Design, Source Control and Treatment Control BMPs Monitoring and Maintenance		
<i>(Not covered by CSA 152)</i>					
<p>Costs associated with personnel, administration and management of the storm water management program. Administrative tasks include development and filing of various stormwater reports and data collection and management.</p> <p>Level I is levied on all parcels conditioned for the NPDES Rate Schedule.</p>			<p>Costs associated with stormwater and non-stormwater runoff monitoring, inspection of the project's site design, source control and treatment control BMPs; evaluation of site stormwater compliance activities, review of site-specific technical reports and treatment control BMP maintenance records.</p>		
<p>Fiscal Year (FY) 2005/2006 - Base Year Calculation, subject to an annual inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics</p>					
PARCEL RATE	Per Month \$3.39	Per Year \$40.62	PARCEL RATE	Per Month \$15.97	Per Year \$191.66

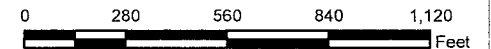
Inflation Factor Adjustments

- FY 2006/2007 - 4.5% = (\$33.00 & \$158.00)
- FY 2007/2008 - 3.1% = (\$34.00 & \$163.00)
- FY 2008/2009 - 4.2% = (\$35.00 & \$170.00)
- FY 2009/2010 - no change = (\$35.00 & \$170.00)
- FY 2010/2011 - no change = (\$35.00 & \$170.00)
- FY 2011/2012 - 3.8% = (\$36.00 & \$176.00)
- FY 2012/2013 - 2.7% = (\$37.00 & \$181.00)
- FY 2013/2014 - 2.0% = (\$38.00 & \$185.00) rounded to the nearest dollar
- FY 2014/2015 - 1.14% = (\$39.52 & \$186.49) Pursuant to City Council approval on June 10, 2014.
- FY 2015/2016 - 0.73% = (\$39.81 & \$187.85)
- FY 2016/2017 - 2.03% = (\$40.62 & \$191.66)

First Industrial, LP Proposed 1.4 Million SF Warehouse

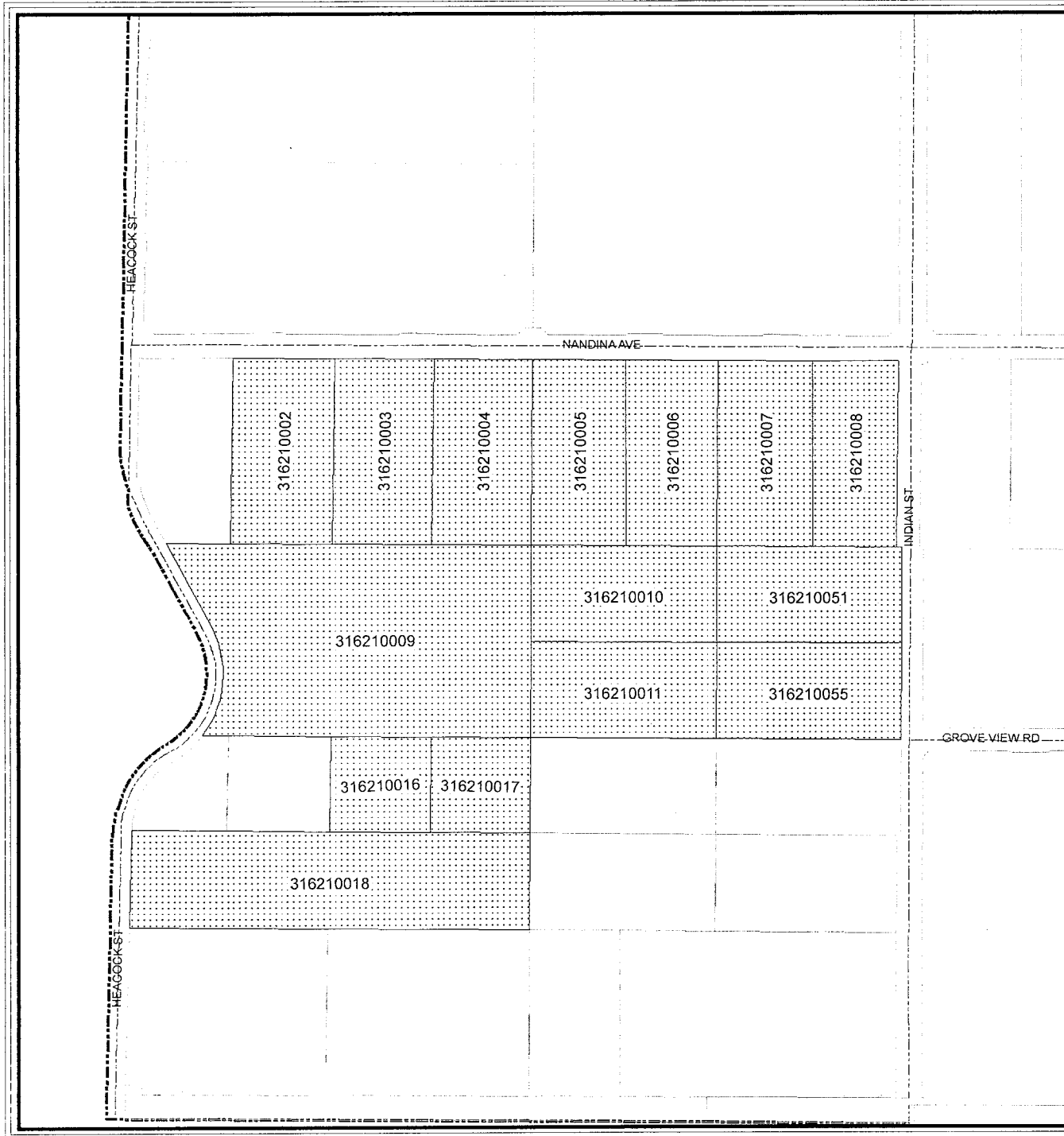
-  PA13-0037
-  Roads
-  Parcels
-  City Boundary

Map reflects all changes indicated on Riverside County Assessor Maps as of October 12, 2016.



G:\V\PSDA\PA13-0037.mxd

The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Data and information on this map is subject to update and modification. Riverside County and City of Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map. This map is not to be recycled or resold.



**OFFICIAL MAIL BALLOT for Assessor's Parcel Numbers (APNs)
316-210-002, 316-210-003, 316-210-004, 316-210-005, 316-210-006,
316-210-007, 316-210-008, 316-210-009, 316-210-010, 316-210-011,
316-210-016, 316-210-017, 316-210-018, 316-210-051, and 316-210-055
National Pollutant Discharge Elimination System (NPDES)
Maximum Commercial/Industrial Regulatory Rate**

YES* — as property owner of APNs 316-210-002, 316-210-003, 316-210-004, 316-210-005, 316-210-006, 316-210-007, 316-210-008, 316-210-009, 316-210-010, 316-210-011, 316-210-016, 316-210-017, 316-210-018, 316-210-051, and 316-210-055, **I approve** the NPDES Maximum Commercial/Industrial Regulatory Rate and services. For fiscal year (FY) 2016/17, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$232.28 per parcel. Upon approval of the maximum regulatory rate, the annual levy amount shall be placed on the annual Riverside County property tax bill or included as a monthly charge on a utility bill. Beginning FY 2017/18, the maximum regulatory rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics. The City shall provide annual and periodic facility inspections for site design, NPDES permit compliance, and Best Management Practices implementation and maintenance for specified facilities.

NO** — as property owner of APNs 316-210-002, 316-210-003, 316-210-004, 316-210-005, 316-210-006, 316-210-007, 316-210-008, 316-210-009, 316-210-010, 316-210-011, 316-210-016, 316-210-017, 316-210-018, 316-210-051, and 316-210-055, **I do not approve** the NPDES Maximum Commercial/Industrial Regulatory Rate and services. I understand that not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to fund state and federally mandated NPDES Permit requirements will not satisfy the project's Conditions of Approval. The NPDES maximum commercial/industrial regulatory rate will not be levied on the annual Riverside County property tax bill.

YES*	NO**	Weighted Ballot Count*	Fiscal Year 2016/17 NPDES Maximum Commercial/Industrial Regulatory Rate per Parcel
<input type="checkbox"/>	<input type="checkbox"/>	15	\$232.28

*Each Assessor's Parcel Number equals 1 Weighted Ballot.

This ballot must be received by the City Clerk of the City of Moreno Valley prior to the close of the public testimony portion of the Public Hearing to be held on December 6, 2016, at the Moreno Valley City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, California. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called.

PROPERTY OWNER SIGNATURE DATE

Please remember to mark the appropriate box, sign and date the ballot, and return to the City Clerk's office in the enclosed envelope prior to the close of the public testimony portion of the December 6, 2016 Public Hearing.

Ballot(s) deemed invalid or incomplete will be discarded and a new process must be initiated in order to place the charge on the annual Riverside County property tax bill, which includes payment of the mail ballot fee.

TEL: 951.413.3480
 FAX: 951.413.3498
 WWW.MOVAL.ORG



14331 FREDERICK STREET, SUITE 2
 P. O. BOX 88005
 MORENO VALLEY, CA 92552-0805

Miller-Jones Mortuary
 Attn: Jaeger Jones
 P.O. Box 1077
 Hemet, CA 92546

November 17, 2016

NOTICE TO PROPERTY OWNER - MAIL BALLOT PROCEEDING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) MAXIMUM COMMERCIAL/INDUSTRIAL REGULATORY RATE FOR APN 292-230-043

******* OFFICIAL BALLOT ENCLOSED *******

Introduction

In November of 1996, California voters passed Proposition 218 (“The Right to Vote on Taxes Act”). As a result, any new or proposed increase in a property-related charge requires approval by the property owner of record. In compliance with Proposition 218 legislation, the City of Moreno Valley Special Districts Division is conducting a mail ballot proceeding to provide the owner of Assessor’s Parcel Number (APN) 292-230-043 the opportunity to express support for or opposition to the approval of the NPDES Maximum Commercial/Industrial Regulatory Rate and services. Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding fulfills Land Development Division’s Condition of Approval LD18 to provide a funding source for the NPDES financial program.

Background

The Clean Water Act of 1987 established requirements for the discharge of Urban Runoff from Municipal Separate Storm Sewer Systems under the National Pollution Discharge Elimination System (NPDES) Program. The NPDES Program is administered by the Santa Ana Regional Water Quality Control Board through the issuance of a Permit. The City’s current NPDES Permit mandates all new development projects comply with storm water management activities. The NPDES Program requires public agencies to obtain coverage under the Permit to discharge urban storm water runoff from municipally owned drainage facilities, including streets, highways, storm drains, and flood control channels.

Services Provided

In compliance with the Federal Clean Water Act, the City of Moreno Valley shall provide annual and periodic facility inspections for site design, NPDES permit compliance, and Best Management Practices implementation and maintenance for specified facilities.

How is the Amount of the Charge Determined?

Each fiscal year (FY), the City of Moreno Valley determines the type of services necessary to comply with NPDES Permit requirements and levies the rate applicable for that service, not to

exceed the rate previously approved by the property owner.

Proposed Charge

For FY 2016/17, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$232.28 per parcel. The total amount of the NPDES rates levied for FY 2016/17 for the program as a whole was \$460,001.98.

Annual Adjustment

Beginning in FY 2017/18, the NPDES Maximum Commercial/Industrial Regulatory Rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor’s Bureau of Labor Statistics.

Duration of the Charge

Upon approval of the NPDES Maximum Commercial/Industrial Regulatory Rate, the annual levy amount will be assessed to APN 292-230-043 (and any division thereof) and shall be placed on the Riverside County property tax bill or included as a monthly charge on a utility bill. The NPDES Maximum Commercial/Industrial Regulatory Rate will be levied each following year at the proposed rate, which includes an annual inflation adjustment.

Public Hearing

To provide information concerning this mail ballot proceeding the City has scheduled a Public Hearing, which will be held at the **Moreno Valley City Hall Council Chamber located at 14177 Frederick Street, Moreno Valley.**

Public Hearing
Tuesday, January 3, 2017
6:00 P.M.
(Or As Soon Thereafter As The
Matter May Be Called)

Tabulation of returned ballots will commence after the close of the public testimony portion of the Public Hearing. All ballots received shall be tabulated under the direction of the City Clerk in compliance with the City’s Policy For Conducting Mail Ballot Proceedings Policy #1.12.

Effect if the Charge is Approved

Approval of the NPDES Maximum Commercial/Industrial Regulatory Rate will be confirmed if the ballot is marked in favor of the NPDES rate. Approving the NPDES Maximum Commercial/Industrial Regulatory Rate through a mail ballot proceeding will fulfill the Land Development Division’s Condition of Approval LD18 to provide an ongoing funding source for the NPDES financial program.

Effect if the Charge is Not Approved

Not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to meet state and federally mandated NPDES Permit requirements will not satisfy the Land Development Division’s Condition of Approval LD18 to provide a funding source for the NPDES financial program. If the returned ballot is marked “No”, the NPDES rate will not be levied on the property tax bill.

Attachment: Miller-Jones Mail Ballot Documents (2309 : PUBLIC HEARING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION

Effect if the Ballot is Deemed Invalid or Incomplete

Not marking the corresponding box on the ballot in support of or opposition to the proposed program and annual rate and/or not signing the ballot will result in an invalid ballot. In order to satisfy the Land Development Division's Condition of Approval LD18 by placement of the NPDES rate on the annual property tax bill, the mail ballot proceeding and 45-day noticing period will need to start over. Reinitiating the process will require payment of the mail ballot proceeding fee.

For More Information

If you have any questions about the mail ballot proceeding process, please contact Jennifer Terry, Senior Management Analyst, with the City's Special Districts Division at 951.413.3505 or via email at JenniferT@moval.org during the City's business hours.

Questions regarding the NPDES financial program, the annual rate, or the Land Development Division's Conditions of Approval should be directed to the Land Development Division at 951.413.3120 or via email at landdevelopment@moval.org during the City's business hours.

The City's business hours are Monday through Thursday from 7:30 a.m. to 5:30 p.m. and Friday from 7:30 a.m. to 4:30 p.m.

Completing Your Ballot

Please follow the instructions below to complete and return your ballot. Procedures for the completion, return, and tabulation of the ballot are also on file in the City Clerk's office.






1. Mark the enclosed ballot in support of or opposition to the proposed program and annual rate **by placing a mark in the corresponding box.** Ballots received without a designated vote will be considered invalid.
2. Sign your name on the ballot. Ballots received without signature(s) will be considered invalid *and will not be counted.*
3. Mail or personally deliver your completed ballot in a sealed envelope to the City Clerk's office, 14177 Frederick Street, Moreno Valley, California, 92553. For your convenience, a postage-paid envelope has been included for return of the ballot.
4. Ballot(s) must be **received** by the City Clerk prior to the close of the public testimony portion of the Public Hearing scheduled for **Tuesday, January 3, 2017**, at the Moreno Valley City Hall Council Chamber. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called. Ballots received after the close of the Public Hearing cannot be legally counted.

Ballot Marks

Appropriate ballot markings include any one of the following for either the YES/Approved or NO/Not Approved blank box:

- A check mark substantially inside a box;
- An X mark substantially inside a box;

Attachment: Miller-Jones Mail Ballot Documents (2309 : PUBLIC HEARING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION

-  A dot or oval mark substantially inside a box;
-  A completely shaded or filled mark substantially inside a box;
-  A line, single or dashed, or combination of lines, through the box area. Lines may be any one of the following marks: horizontal, vertical, or diagonal. The mark may either run from side to side or corner to corner. All valid lines must be substantially within the box area and not marking any part of another blank box on the ballot;
-  A circle around the box and/or associated clause; or
-  A square or rectangle around the box and/or associated clause.

Balloting marks shall not extend past one box area into any portion of another nor surround the perimeter or any portion of more than one box area. Markings that extend past one box area into any portion of another or surround the perimeter or any portion of more than one box area shall be considered invalid and not counted.

Ballot Mark Revisions (Changes): An error or desire to revise (change) a selection made on the ballot may be completed and returned any time prior to the conclusion of public testimony at the Public Hearing. **The revision must be initialed by the record owner(s) of property. Initials must be clearly printed and placed at the right top corner of the revised selection.**

Attachment: Miller-Jones Mail Ballot Documents (2309 : PUBLIC HEARING FOR THE NATIONAL POLLUTANT DISCHARGE ELIMINATION





COMMON INTEREST, COMMERCIAL, INDUSTRIAL AND QUASI-PUBLIC USE NPDES RATE SCHEDULE
 Adopted by the City Council on January 10, 2006

LEVEL 1			LEVEL II		
NPDES Administration			Site Design, Source Control and Treatment Control BMPs Monitoring and Maintenance		
<i>(Not covered by CSA 152)</i>					
<p>Costs associated with personnel, administration and management of the storm water management program. Administrative tasks include development and filing of various stormwater reports and data collection and management.</p> <p>Level I is levied on all parcels conditioned for the NPDES Rate Schedule.</p>			<p>Costs associated with stormwater and non-stormwater runoff monitoring, inspection of the project's site design, source control and treatment control BMPs; evaluation of site stormwater compliance activities, review of site-specific technical reports and treatment control BMP maintenance records.</p>		
Fiscal Year (FY) 2005/2006 - Base Year Calculation, subject to an annual inflation factor based on the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics					
PARCEL RATE	Per Month	Per Year	PARCEL RATE	Per Month	Per Year
	\$3.39	\$40.62		\$15.97	\$191.66

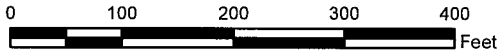
Inflation Factor Adjustments

- FY 2006/2007 - 4.5% = (\$33.00 & \$158.00)
- FY 2007/2008 - 3.1% = (\$34.00 & \$163.00)
- FY 2008/2009 - 4.2% = (\$35.00 & \$170.00)
- FY 2009/2010 - no change = (\$35.00 & \$170.00)
- FY 2010/2011 - no change = (\$35.00 & \$170.00)
- FY 2011/2012 - 3.8% = (\$36.00 & \$176.00)
- FY 2012/2013 - 2.7% = (\$37.00 & \$181.00)
- FY 2013/2014 - 2.0% = (\$38.00 & \$185.00) rounded to the nearest dollar
- FY 2014/2015 - 1.14% = (\$39.52 & \$186.49) Pursuant to City Council approval on June 10, 2014.
- FY 2015/2016 - 0.73% = (\$39.81 & \$187.85)
- FY 2016/2017 - 2.03% = (\$40.62 & \$191.66)

Miller-Jones Expansion P12-111

-  APN 292230043
-  Roads
-  Parcels
-  City Boundary

Map reflects all changes indicated on Riverside County Assessor Maps as of November 16, 2016.



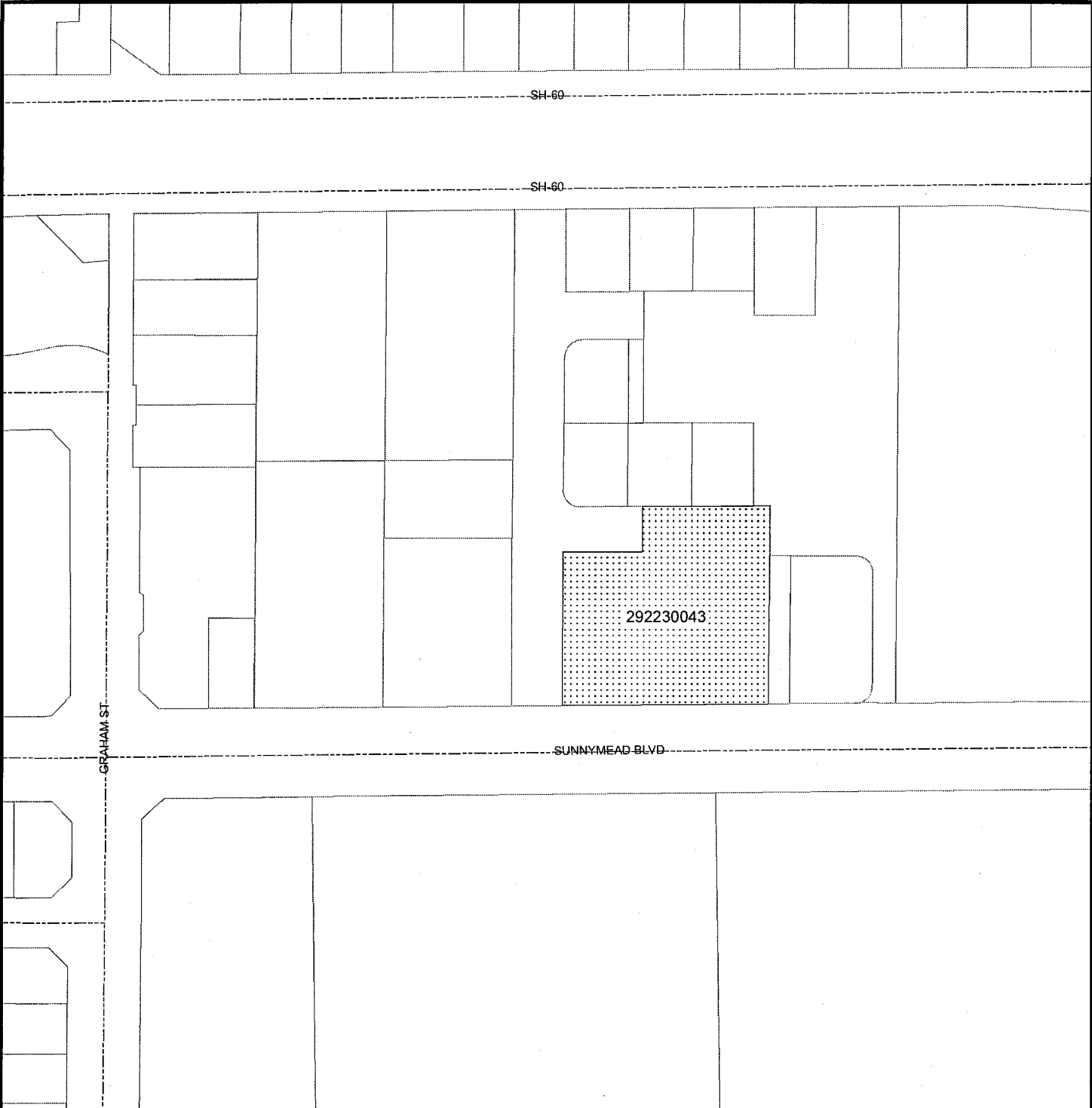
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The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Data and information on this map is subject to update and modification. Riverside County and City of Moreno Valley will not be held responsible for any claims, losses or damages resulting from the use of this map. This map is not to be recycled or resold.



MORENO VALLEY
WHERE DREAMS SOAR

E:1.B



**OFFICIAL MAIL BALLOT for Assessor's Parcel Number (APN)
292-230-043 National Pollutant Discharge Elimination System (NPDES)
Maximum Commercial/Industrial Regulatory Rate**

YES* — as property owner of APN 292-230-043, **I approve** the NPDES Maximum Commercial/Industrial Regulatory Rate and services. For fiscal year (FY) 2016/17, the NPDES Maximum Commercial/Industrial Regulatory Rate is \$232.28 per parcel. Upon approval of the maximum regulatory rate, the annual levy amount shall be placed on the annual Riverside County property tax bill or included as a monthly charge on a utility bill. Beginning FY 2017/18, the maximum regulatory rate will be subject to an annual adjustment based on the percentage change calculated for the previous year in the Los Angeles-Riverside-Orange County Regional Consumer Price Index for All Urban Consumers, as published by the Department of Labor's Bureau of Labor Statistics. The City shall provide annual and periodic facility inspections for site design, NPDES permit compliance, and Best Management Practices implementation and maintenance for specified facilities.

NO** — as property owner of APN 292-230-043, **I do not approve** the NPDES Maximum Commercial/Industrial Regulatory Rate and services. I understand that not approving the NPDES Maximum Commercial/Industrial Regulatory Rate to fund state and federally mandated NPDES Permit requirements will not satisfy the project's Conditions of Approval. The NPDES maximum commercial/industrial regulatory rate will not be levied on the annual Riverside County property tax bill.

YES*	NO**	Weighted Ballot Count*	Fiscal Year 2016/17 NPDES Maximum Commercial/Industrial Regulatory Rate per Parcel
<input type="checkbox"/>	<input type="checkbox"/>	1	\$232.28

*Each Assessor's Parcel Number equals 1 Weighted Ballot.

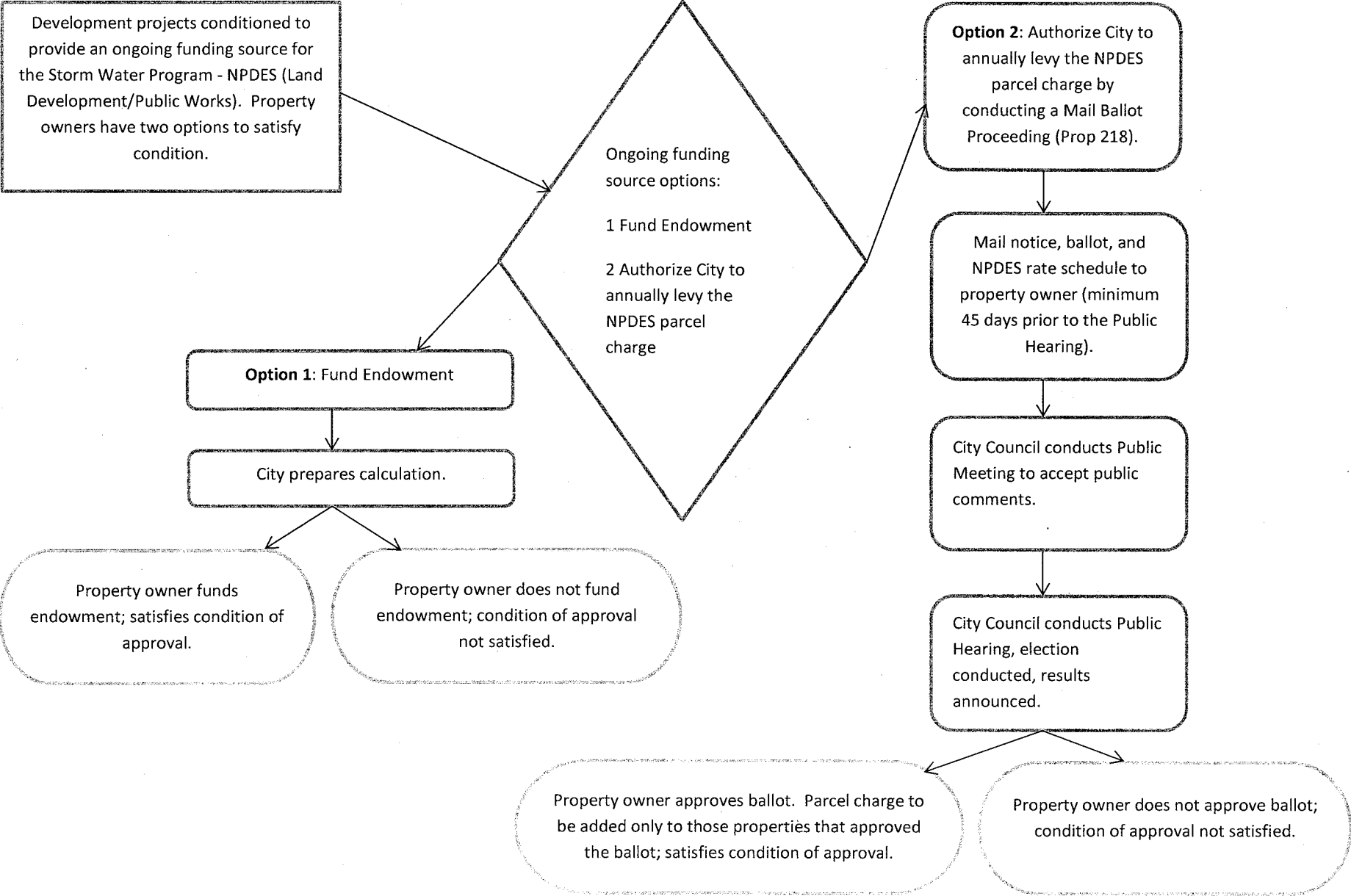
This ballot must be received by the City Clerk of the City of Moreno Valley prior to the close of the public testimony portion of the Public Hearing to be held on January 3, 2017, at the Moreno Valley City Hall Council Chamber, 14177 Frederick Street, Moreno Valley, California. The Public Hearing will be held at 6:00 p.m. or as soon thereafter as the matter may be called.

PROPERTY OWNER SIGNATURE DATE

Please remember to mark the appropriate box, sign and date the ballot, and return to the City Clerk's office in the enclosed envelope prior to the close of the public testimony portion of the January 3, 2017 Public Hearing.

Ballot(s) deemed invalid or incomplete will be discarded and a new process must be initiated in order to place the charge on the annual Riverside County property tax bill, which includes payment of the mail ballot fee.

Process Flow for Property Owners/Developers to Satisfy Funding Requirement for the Storm Water Program



Attachment: Flowchart (2309 : PUBLIC HEARING FOR THE NATIONAL POLLUTANT DISCHARGE

This process flow is simplified for illustration purposes. Contact the Special Districts Division at 951.413.3480 for the detailed process.

November 12, 2014



Report to City Council

TO: Mayor and City Council

FROM: Martin Koczanowicz, City Attorney

AGENDA DATE: January 3, 2017

TITLE: CONSIDERATION OF METHOD TO FILL THE VACANCY IN DISTRICT 4 CREATED BY THE ELECTION OF MAYOR GUTIERREZ TO SERVE AS THE FIRST ELECTED MAYOR FOR THE CITY

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Consider the method by which it desires to fill the vacancy (appointment or special election) in District 4 and direct staff accordingly.

SUMMARY

This report recommends that Council consider the listed alternatives and direct staff to initiate the process which will result in filling the vacancy in District 4 for the remainder of the term.

DISCUSSION

Mayor Gutierrez's election as the City's first directly elected Mayor, leaves a vacancy in the District 4 seat for the remainder of his term (December of 2018). Under State law Council has three active options by which to fill the vacancy: i) an appointment by the Council to occur within 60 days of the vacancy being created, or on or before February 3rd, 2017, ii) calling for an election and allowing the voters to elect a candidate for the remainder of the term, or iii) a hybrid of the two which would require a passage of an ordinance calling for a special election and include a temporary appointment to the seat until the election results are certified. (See Government Code Section 36512(b) and (c) (3) attached. The last option would result in the seat being vacant until the Ordinance is drafted and becomes effective, a minimum of 45 to 60 days. The temporary appointment would then be seated for two to three months until the June 2017 election. Under any of these options the qualified candidates would need to come from the

boundaries of the old District 4, the one that elected then Council Member Gutierrez in the 2014 election.

Under Government Code Section 36512(b) Council has 60 days to either fill the vacancy by appointment or call for a special election. The election needs to take place at the next regularly established election date (Gov. Code Section 36512(b) (1), not less than 114 days from the date the Council calls for such election. The County will have a consolidated election on June 6th, 2017 and the ballot could include election for the District 4 seat.

Whether appointed or elected at a special election, the successful candidate would hold the office until the end of term and the new District 4 residents would vote for the next Council Member in the November 2018 general election.

If Council decides to fill the vacancy by appointment, it can direct staff to advertise and distribute a Notice of Vacancy, along with an application, map of the old District 4 boundaries and a letter setting out the process and timelines. Council could also invite potential candidates to contact Council members directly and be referred to the City Clerk's office for the application forms and verification of eligibility.

Depending on how much time Council wishes to provide the candidates to apply, the process could result in Council interviews of the candidates (open session) and appointment as early as the next Council meeting, but must occur on or before February 3rd, 2017 in order to comply with the 60 day limit for appointment. January has 5 Tuesdays so a special meeting(s) could be called to interview candidates and make the appointment if necessary, should the Council select this option.

If council decides to call for an election, the same time lines are applicable and the decision needs to be made within the 60 day period. This would also be applicable to the third hybrid option, but the temporary appointment would need to be made after the ordinance was adopted and became effective.

ALTERNATIVES

City Council has the following alternatives to consider:

1. Direct staff to initiate a process which would enable the Council to fill the vacancy by appointment prior to February 3rd, 2017.
2. Direct staff to initiate a process of calling for a special election to take place on June 6th, 2017.
3. Proceed with the third option and direct staff to draft an Ordinance which would call for a special election and provide for a temporary appointment until the election results are certified.

FISCAL IMPACT

An appointment process would have minimal fiscal impact, limited to staff time in processing the applications and preparing Council agenda items for interviews and appointment.

The City Clerk received an estimate from the County Registrar's office in the amount of \$80,000 to \$90,000, for including the District 4 seat in the June consolidated election. This amount would be a direct impact to the City's general fund if alternative 2 or 3 is selected by the Council.

NOTIFICATION

This agenda was posted in compliance with the Brown Act.

PREPARATION OF STAFF REPORT

Prepared By:
Martin D. Koczanowicz
City Attorney

Concurred By:
Marie Macias, MMC
City Clerk

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

CITY COUNCIL STRATEGIC PRIORITIES

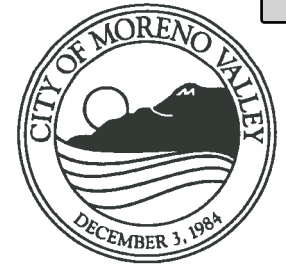
1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

ATTACHMENTS






1. District 4 Map
2. Government Code Sec. 36512

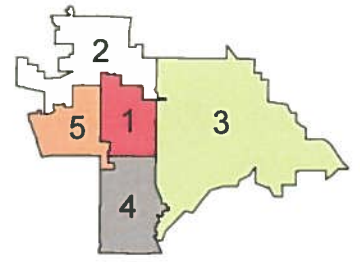
APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/18/16 3:50 PM
City Attorney Approval	<u>✓ Approved</u>	12/14/16 3:34 PM
City Manager Approval	<u>✓ Approved</u>	12/21/16 1:28 PM



CITY OF MORENO VALLEY COUNCIL DISTRICT 4

-  Council District 1
-  Council District 2
-  Council District 3
-  Council District 4
-  Council District 5

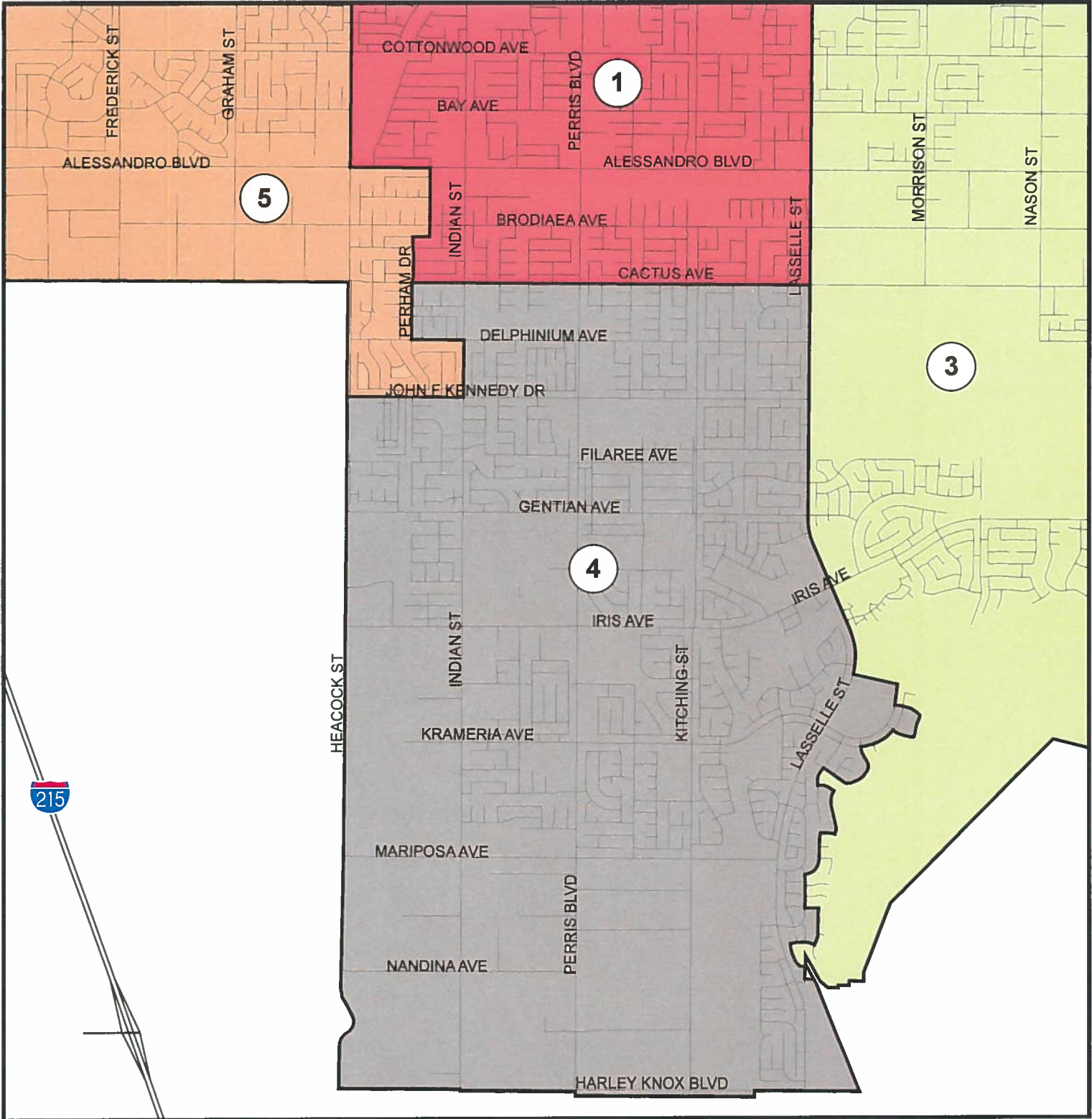


0 2,500 5,000
Feet

Adopted by Resolution No. 2011-107 on 10/25/11
 Map Produced by Moreno Valley
 Geographic Information System
 Geographic Information in State Plane NAD 83 California Zone 6 F
 G:\ArcMap\Council Districts\Council_Districts_Individual
 \Updated_2013\CouncilDistrictV.mxd
 Print Date: March 27, 2013

The information shown on this map was compiled from the Riverside County GIS and the City of Moreno Valley GIS. The land base and facility information on this map is for display purposes only and should not be relied upon without independent verification as to its accuracy. Riverside County and City of Moreno Valley will not be responsible for any losses or damages resulting

Attachment: District 4 Map (2398 : CONSIDERATION OF METHOD TO FILL THE VACANCY IN DISTRICT 4



State of California**GOVERNMENT CODE****Section 36512**

36512. (a) If a vacancy occurs in an appointive office provided for in this chapter, the council shall fill the vacancy by appointment. A person appointed to fill a vacancy holds office for the unexpired term of the former incumbent.

(b) If a vacancy occurs in an elective office provided for in this chapter, the council shall, within 60 days from the commencement of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy.

(1) If the council calls a special election, the special election shall be held on the next regularly established election date not less than 114 days from the call of the special election. A person elected to fill a vacancy holds office for the unexpired term of the former incumbent.

(2) If the council fills the vacancy by appointment, the person appointed to fill the vacancy shall hold office pursuant to one of the following:

(A) If the vacancy occurs in the first half of a term of office and at least 130 days prior to the next general municipal election, the person appointed to fill the vacancy shall hold office until the next general municipal election that is scheduled 130 or more days after the date the council is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office.

(B) If the vacancy occurs in the first half of a term of office, but less than 130 days prior to the next general municipal election, or if the vacancy occurs in the second half of a term of office, the person appointed to fill the vacancy shall hold office for the unexpired term of the former incumbent.

(c) Notwithstanding subdivision (b) and Section 34902, a city may enact an ordinance that does any of the following:

(1) Requires that a special election be called immediately to fill every city council vacancy and the office of mayor designated pursuant to Section 34902. The ordinance shall provide that the special election shall be held on the next regularly established election date not less than 114 days from the call of the special election.

(2) Requires that a special election be held to fill a city council vacancy and the office of mayor designated pursuant to Section 34902 when petitions bearing a specified number of verified signatures are filed. The ordinance shall provide that the special election shall be held on the next regularly established election date not less than 114 days from the filing of the petition. A governing body that has enacted such an ordinance may also call a special election pursuant to subdivision (b) without waiting for the filing of a petition.

(3) Provides that a person appointed to fill a vacancy on the city council holds office only until the date of a special election which shall immediately be called to fill the remainder of the term. The special election may be held on the date of the next regularly established election or regularly scheduled municipal election to be held throughout the city not less than 114 days from the call of the special election.

(d) (1) Notwithstanding subdivision (b) and Section 34902, an appointment shall not be made to fill a vacancy on a city council if the appointment would result in a majority of the members serving on the council having been appointed. The vacancy shall be filled in the manner provided by this subdivision.

(2) The city council may call an election to fill the vacancy, to be held on the next regularly established election date not less than 114 days after the call.

(3) If the city council does not call an election pursuant to paragraph (2), the vacancy shall be filled at the next regularly established election date.

(e) (1) If the city council of a city that elects city council members by or from districts elects to fill a vacancy on the city council by appointment as a result of a city council member resigning from office, the resigning city council member may cast a vote on the appointment if the resignation will go into effect upon the appointment of a successor. A city council member shall not cast a vote for a family member or any other person with whom the city council member has a relationship that may create a potential conflict of interest.

(2) If a city council member elects to cast a vote under this subdivision, the city council member shall be prohibited from the following actions for a period of two years after the appointment of a successor:

(A) Advocating on any measure or issue coming before the city council in which the city council member may have a personal benefit.

(B) Entering into a contract of any kind with the city or a city vendor.

(C) Accepting a position of employment with the city or a city vendor.

(D) Applying for a permit that is subject to the approval of the city council.

(3) This subdivision shall not apply to any city council member who is resigning from the city council due to charges of, or conviction for, corruption or criminal behavior, or who is subject to a recall election.

(Amended by Stats. 2015, Ch. 185, Sec. 1. (AB 952) Effective January 1, 2016.)



Report to City Council

TO: Mayor and City Council

FROM: Marshall Eyerman, Chief Financial Officer
Michelle Dawson, City Manager

AGENDA DATE: January 3, 2017

TITLE: TRANSMITTAL OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT AND POPULAR ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2016

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Receive and file the Comprehensive Annual Financial Report for the fiscal year that ended June 30, 2016.
2. Receive and file the Popular Annual Financial Report for the fiscal year that ended June 30, 2016.

SUMMARY

The Comprehensive Annual Financial Report (CAFR) for FY 2015-16 presents the results of the City's operations and financial position as of June 30, 2016, and is submitted for the City Council's review and information. The CAFR incorporates all component units of the City including the Moreno Valley Community Services District. A summary of the City's financial position as of June 30, 2016 is provided in the Management's Discussion and Analysis (MD&A) section of the CAFR. The City's financial statements have received an "unqualified" opinion from an independent auditor (Vasquez & Company), which indicates based on the independent auditor's judgment that the financial records and statements are fairly and appropriately presented in all material respects.

The Popular Annual Financial Report (PAFR) for FY 2015-16 was prepared to provide readers an easy to understand summary of our financial activities in an informative and

brief manner. The PAFR is a summary of the financial activities and is drawn from information found in the more detailed CAFR.

The Finance Sub-Committee reviewed the draft CAFR and PAFR on December 7, 2016; the Finance Subcommittee recommends the receipt and filing of the reports by the City Council.

DISCUSSION

The Comprehensive Annual Financial Report (CAFR) for Fiscal Year (FY) 2015-16 presents the audited results of the City's operations and financial position as of June 30, 2016. The submittal of the CAFR to the City Council is an established practice that signifies the completion of the City's annual financial audit and the distribution of the published annual financial report. Following a Request for Proposals (RFP) for Professional Auditing Services, the City Council selected the firm of Vasquez & Company to conduct the audit. The auditor was available and continues to be available to the members of the City Council for individual meetings. This is the second year of a five-year contract awarded to Vasquez & Company. It is the City's practice to change auditors no less than every five years to ensure independence of the audit function.

One of the most important items contained in the CAFR is the Independent Auditors' Report on the financial statements, which is also known as the "Opinion Letter". The auditors have provided the City with an "unqualified" audit opinion, which indicates that the City's financial statements fairly present the financial position of the City.

In addition to the City's financial results, the CAFR includes the financial results for all component units of the City, which includes the Moreno Valley Community Services District. A separate section of the CAFR is designated for the financial statements of this entity. A summary of the City's financial position as of June 30, 2016 is provided in the Management's Discussion and Analysis (MD&A) section of the CAFR. The MD&A provides the reader with important information, analysis and context to the Basic Financial Statements. The "Notes to the Financial Statements" follow the Basic Financial Statements and include a wealth of detailed information to the reader of the financial statements on financial policies, status of cash and investments, the value of capital assets, presentation of long term debt, funding status of the City's pension plan and Other Post Employment Benefits.

The June 30, 2016 CAFR reflects the City's second year of implementing the Governmental Accounting Standards Board (GASB) Statement No. 68, more commonly referred to as "GASB 68". This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense of pensions that are provided by local governmental employers. For defined benefit pensions, this statement identifies the methods and assumptions that should be used to project benefit payments, discount the projected benefit payments to their present value, and attribute the present value to periods of employee service. The additional implementation impact of this statement can be found in Note 8 of the CAFR.

In recognition of its financial reporting excellence, the Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Moreno Valley for 18 consecutive years. This recognition represents the highest professional governmental accounting award possible. The Certificate is also advantageous to the City's reputation with bond rating agencies and to the financial markets overall. The CAFR for FY2015-16 has been submitted to the GFOA and staff anticipates receiving the Certificate once again.

The Popular Annual Financial Report (PAFR) for FY 2015-16 was prepared to provide readers an easy to understand summary of our financial activities. This is our second year of publishing a PAFR to condense financial data and to provide complex financial data in a form that is easy to understand and read. In recognition of its outstanding achievement for last year's PAFR, the Government Finance Officers Association of the United States and Canada (GFOA) has awarded an Outstanding Achievement Award in Popular Financial Reporting to the City of Moreno Valley. The PAFR for FY2015-16 has been submitted to the GFOA and staff anticipates receiving the Certificate once again.

The following are the key findings noted in the Financial Summary.

Fiscal Year 2015/16 Year-End:

- General Fund revenues, excluding transfers-in, were \$92,462,442, and were 2.7% higher than budget.
- General Fund expenditures of \$82,339,364 were 8.2% (\$7,354,968) lower than budgeted.
 - Police Services and Fire Services combined came in under budget by \$3.5 million.
 - Capital Outlay came in under budget by \$2.3 million primarily due to the delay of vehicle and equipment purchases that are anticipated to occur in FY 2016-17.
 - City staff continues to operate very efficiently and respectful of the ongoing need for fiscal responsibility. The majority of departments achieved savings for FY 2015/16.
- Total fund balance at year end for the General Fund increased from \$43.4 million in FY 14/15 to \$51.1 million in FY 15/16. This represents an 18% increase.
- The first year of the two-year General Fund budget resulted in a positive change in uncommitted fund balance in excess of \$5.9 million.

ALTERNATIVES

1. Receive and file the Comprehensive Annual Financial Report and Popular Annual Financial Report for the fiscal year that ended June 30, 2016.
2. Do not receive and file the financial documents.

Staff recommends Alternative 1.

FISCAL IMPACT

There is no fiscal impact. The CAFR and PAFR are provided for informational purposes only.

NOTIFICATION

The CAFR and PAFR were presented to the Finance Sub-Committee on December 7, 2016, respectively, for public review and discussion.

PREPARATION OF STAFF REPORT

Prepared By:
Dena Heald
Financial Operations Division Manager

Department Head Approval:
Marshall Eyerman
Chief Financial Officer / City Treasurer

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

ATTACHMENTS

1. Comprehensive Annual Financial Report FY 2015-16
2. Popular Annual Financial Report FY 2015-16

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/18/16 3:49 PM
City Attorney Approval	<u>✓ Approved</u>	12/19/16 8:26 AM
City Manager Approval	<u>✓ Approved</u>	12/21/16 1:28 PM

COMPREHENSIVE ANNUAL FINANCIAL REPORT



CITY OF MORENO VALLEY, CALIFORNIA FISCAL YEAR ENDED JUNE 30, 2016



Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2016

Table of Contents

	<u>PAGE</u>
INTRODUCTORY SECTION	
Letter of Transmittal.....	i
Municipal Officials	iv
Organizational Chart	v
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	vi
FINANCIAL SECTION	
Report of Independent Auditors.....	1
Management Discussion and Analysis.....	5
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position.....	19
Statement of Activities.....	20
Governmental Fund Financial Statements	
Balance Sheet – Governmental Funds.....	26
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	29
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	30
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	32
Budgetary Comparison Statements	
General Fund.....	33
CSD Zones Special Revenue Fund.....	34
Development Impact Fees Special Revenue Fund.....	35
Housing Authority Special Revenue Fund.....	36
Neighborhood Stabilization Grant Special Revenue Fund.....	37
Facility Construction Fund Capital Project Fund.....	38
Proprietary Funds	
Statement of Net Position.....	41
Statement of Revenues, Expenses and Changes in Fund Net Position.....	42
Statement of Cash Flows	43
Fiduciary Funds	
Statement of Fiduciary Net Position.....	45
Statement of Changes in Fiduciary Net Position.....	46
Notes to Financial Statements.....	48
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Changes in the Net Pension Liability and Related Ratios.....	100
Schedule of Plan Contributions.....	101

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2016

Table of Contents

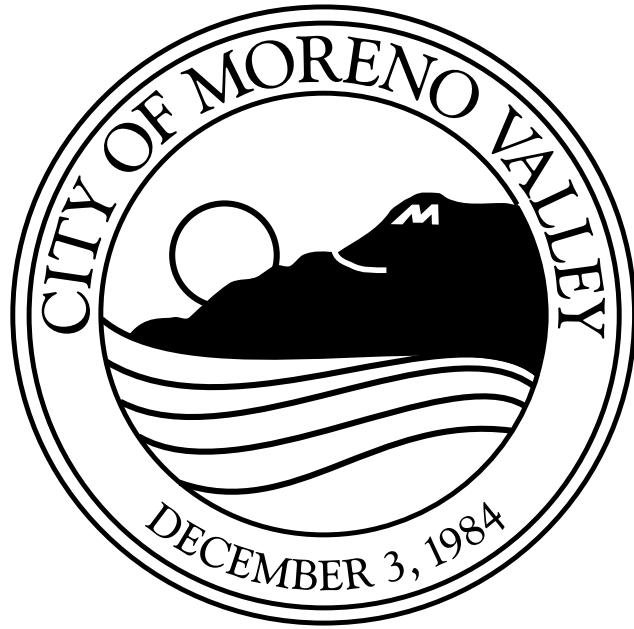
	<u>PAGE</u>
SUPPLEMENTAL SCHEDULES	
Nonmajor Governmental Funds	
Combining Balance Sheet – Nonmajor Governmental Funds.....	108
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental funds.....	120
Budgetary Comparison Schedules – Special Revenue Funds	
State Gasoline Tax	132
Article 3 Transportation.....	133
Measure A.....	134
Law Enforcement Grants.....	135
Other Grants.....	136
Public Education Government Access.....	137
Air Quality Management.....	138
Community Development Block Grant.....	139
Special Districts Administration.....	140
Storm Water Management.....	141
HOME.....	142
Child Care Grant	143
Used Oil Recycling.....	144
Storm Water Maintenance	145
ASES Program Grants	146
CFD No. 2014-01	147
CFD No. 4-M	148
Civil Penalties	149
Emergency Services Agency Fines	150
Energy Efficiency Revolving	151
Grants Capital Projects.....	152
Budgetary Comparison Schedules – Capital Projects Funds	
Public Works Capital Projects.....	153
Fire Services Capital Projects.....	154
Towngate Capital / Administration.....	155
Warner Ranch Capital Development.....	156
Parks and Community Services Capital Projects.....	157
TUMF Capital Projects	158
DIF Capital Projects.....	159
TRIP Capital Projects	160

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

**City of Moreno Valley, California
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2016**

Table of Contents

	<u>PAGE</u>
Budgetary Comparison Schedules – Debt Service Funds	
2007 Towngate Improvement Refunding.....	161
2007 Towngate Refunding.....	162
2011 Private Placement Refunding 97 Lease Revenue Bonds.....	163
2011 Private Placement Refunding 97 COPs.....	164
TRIP COP 13A Debt Fund.....	165
2013 Refunding 2005 Lease Revenue Bonds.....	166
2014 Refunding 2005 Lease Revenue Bonds.....	167
Budgetary Comparison Schedule – Permanent Funds	
Celebration Park Endowment.....	168
Equestrian Trail Endowment.....	169
Rockridge Park Endowment	170
NPDES Endowment.....	171
Cultural Preservation.....	172
Internal Service	
Combining Statement of Net Position – Internal Service Funds.....	174
Combining Statement of Revenues, Expenses and Changes in.....	
Fund Net Position – Internal Service Funds.....	176
Combining Statement of Cash Flows – Internal Service Funds.....	178
Agency Funds	
Combining Balance Sheet – All Agency Funds.....	182
Combining Statement of Changes in Assets and Liabilities – All Agency Funds.....	184
STATISTICAL SECTION	
Statistical Section Table of Contents.....	187
Net Position by Component.....	188
Change in Net Position.....	189
Fund Balances - Governmental Funds.....	191
Changes in Fund Balances - Governmental Funds.....	192
Tax Revenues by Source – General Fund.....	193
Key Revenues – General Fund.....	194
Assessed Value and Estimated Actual Value of Taxable Property.....	195
Property Tax Rates.....	196
Principal Property Tax Payers.....	197
Property Tax Levies and Collections.....	198
Direct and Overlapping Debt.....	199
Legal Debt Margin.....	200
Ratios of Outstanding Debt by Type.....	201
Ratio of Bonded Debt.....	202
Pledged Revenue Coverage.....	203
Demographic and Economic Statistics.....	204
Principal Employers.....	205
Full-time and Part-time City Employees by Function.....	206
Capital Asset Statistics.....	207
Operating Indicators by Function.....	208



COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2016

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

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 FAX: 951.413.3096
 WWW.MOVAL.ORG



14177 FREDERICK STREET
 P.O. BOX 88005
 MORENO VALLEY, CA 92552-0805

December 6, 2016

To the Honorable Mayor, Members of the City Council and Citizens of the City of Moreno Valley:

On behalf of the City Manager, Management Team and City Staff, it is my pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Moreno Valley (the City) for the fiscal year ended June 30, 2016.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed to both protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Vasquez & Company, LLP, a firm of certified public accountants. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion on the City's financial statements for the fiscal year ended June 30, 2016. An unqualified opinion reflects the auditor's judgment that the City's financial records and statements are fairly and appropriately presented, and are in accordance with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing the Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on internal controls and compliance with legal requirements, with emphasis on those involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

Management has provided an overall analysis of the financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Moreno Valley

The City of Moreno Valley was incorporated on December 3, 1984. It is centrally located in Southern California, 66 miles east of Los Angeles and 100 miles north of San Diego. The City encompasses approximately 50 square miles of land area in western Riverside County and with a population estimate of 205,383 continues to be the second largest city in Riverside County.

FINANCIAL & MANAGEMENT SERVICES DEPARTMENT

During the 2015/16 fiscal year, the City operated under the council-manager form of government with a five-member council elected by district for four-year overlapping terms. Each year the council elects the mayor for a one-year term. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Attorney and City Clerk. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments.

The City provides a wide range of services, which include general government, public safety (police and fire), animal control services, disaster preparedness, construction and maintenance of highways and streets, economic development, library, an electric utility which primarily serves the newly developed areas of the City, parks, and a wide range of community and recreation programs. In addition to general City activities, the Council is financially accountable for the Moreno Valley Community Services District, the Moreno Valley Public Financing Authority, the Moreno Valley Public Facilities Financing Corporation, the Housing Authority, the Successor Agency and several Community Facilities Districts. These entities are included as an integral part of the City's financial statements. Additional information on these legally separate entities can be found in Note 1a of the Notes to Basic Financial Statements.

The annual budget serves as the foundation for the City's financial planning and control approved as a two-year budget. The City Manager presents the proposed two-year budget to the City Council for review in April/May of the first budget year. The Council holds a series of public meetings on the proposed budget, and generally adopts a final budget no later than June 30th. The second budget year is amended as needed to update revenue and expenditures. The City's fiscal year is July 1st through June 30th. The appropriated budget is prepared by fund, department and program, and is controlled at the department level. The City Manager can approve transfers between programs and departments, provided that such transfers do not increase the overall budget. Appropriations that increase the fund budget require City Council approval. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The budget-to-actual comparisons for the general fund and the major governmental funds can be found in the Financial section of this report. The budget-to-actual comparisons for the non-major governmental funds can be found in the Supplemental Schedules section of this report.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Moreno Valley operates.

Local economy. The City of Moreno Valley is ideally located at the junction of State Route 60 and Interstate 215 in the Inland Empire, which consists of Riverside and San Bernardino Counties. The City continues to be a leader in business development with an array of undeveloped land, development opportunities, entitled development projects, and available lease space at economically feasible prices.

During the last couple of years the City has experienced increased development activity in new retail, commercial and industrial construction and development. Several Fortune 500 companies such as Amazon and Proctor & Gamble have chosen Moreno Valley and positively impacted industrial growth with construction and occupancy of distribution centers. After a lengthy national site competition among numerous states, the Karma automobile manufacturer selected Moreno Valley for their project site to introduce the electric hybrid car manufacturing industry into the region. The initial development planning of a 2,610-acre World Logistics Center (WLC) business park designed to support the requirements of large global companies and their logistics operations has started in the eastern portion of the City. Additionally, Aldi Foods chose Moreno Valley as a part of their coast-to-coast expansion and entrance into the California market with construction and occupancy of a regional headquarters and distribution center. New construction in the residential sector continues at a slow pace as the local economy continues to recover from the most recent recession.

Long-term financial planning. In June 2015, the City Council approved a two year Operating Budget for fiscal years 2015/2016 and 2016/2017 that not only is balanced without the use of General Fund reserves, it also restored services and increased customer service standards for our development community, customers, and citizens. Through quarterly budget review meeting and continued development of a Long Range Business Plan, the City continues to be responsive to any financial changes and remains focused on the long term impacts of any financial decisions. The City also annually prepares and updates the five-year capital improvement plan (CIP) which includes all capital projects and identifies the timing of each project as well as the funding source. These actions provide the City Council with expected results of operations based on their budget and other policy decisions within the scope of projected revenues and expenditures.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Moreno Valley for its comprehensive annual financial report (CAFR) for the year ended June 30, 2015. This was the eighteenth consecutive year that the City has received this prestigious award. The City received the award for publishing an easily readable and efficiently organized CAFR that satisfied both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. I believe that our CAFR continues to meet the Certificate of Achievement Program’s requirements and I am submitting it to the GFOA to determine its eligibility for another certificate. The City also received the first award from the GFOA for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for the year ended June 30, 2015. The development of the supplemental PAFR is just one piece of the City’s increased public communication efforts to increase transparency and public awareness.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Financial & Management Services Department and especially the Financial and Treasury Operations Divisions. I would like to express my appreciation to all members of the divisions who assisted and contributed to its preparation. Credit also must be given to other City departments for their assistance and the City Council for their continuous support for maintaining the highest standards of professionalism in the management of the City of Moreno Valley’s finances.

Lastly, I would like to thank the City’s independent auditors, Vasquez & Company LLP, for their assistance in preparing this important financial document.

Respectfully submitted,



Marshall Eyerman
Chief Financial Officer

CITY OF MORENO VALLEY, CALIFORNIA

MUNICIPAL OFFICIALS
June 30, 2016

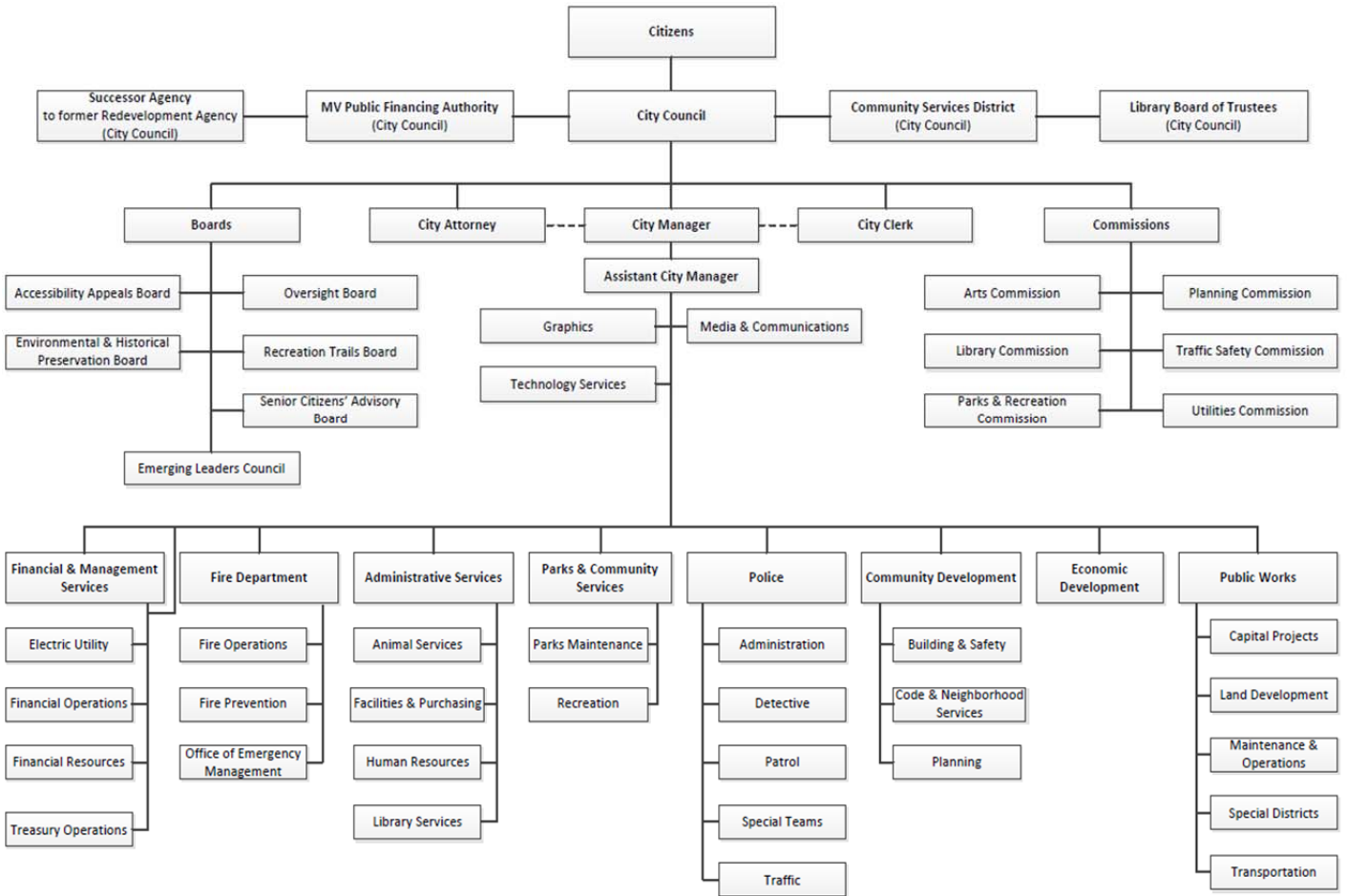
CITY COUNCIL

Dr. Yxstian Gutierrez, Mayor
Jeffrey Giba, Mayor Pro Tem
D. LaDonna Jempson, Councilmember
Jesse L. Molina, Councilmember
George Price, Councilmember

EXECUTIVE OFFICERS

Michelle Dawson, City Manager
Tom DeSantis, Assistant City Manager
Steve Quintanilla, Interim City Attorney
Vacant, City Clerk
Marshall Eyerman, Chief Financial Officer/City Treasurer
Ahmad Ansari, P.E., Public Works Director/City Engineer
Allen Brock, Community Development Director
Mike Lee, Economic Development Director
Terrie Stevens, Administrative Services Director
Abdul Ahmad, Fire Chief
Gabriel Garcia, Parks & Community Services Director
Joel Ontiveros, Police Chief

City of Moreno Valley Organization Chart



Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Moreno Valley
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2016

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Moreno Valley, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, (the City) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, CSD Zones Special Revenue Fund, Development Impact Fees Special Revenue Fund, Housing Authority Special Revenue Fund, Neighborhood Stabilization Grant Special Revenue Fund and Facility Construction Capital Project Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 17 and required supplementary information on pages 100 through 101 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

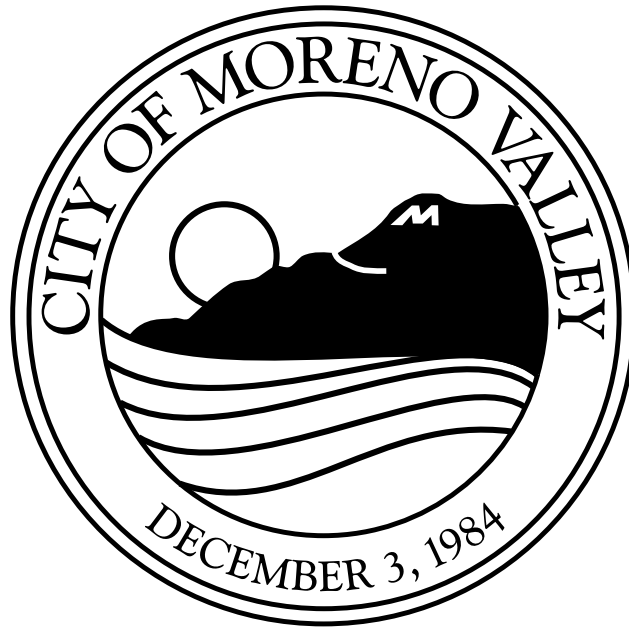
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2016 on our consideration of the City's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

Vasquez + Company LLP

Los Angeles, California
December 6, 2016



City of Moreno Valley, California

Management’s Discussion and Analysis

The following discussion and analysis of the financial performance of the City of Moreno Valley provides an overview of the City’s financial activities for the fiscal year ended June 30, 2016. Please read it in conjunction with the transmittal letter located in the introductory section, and financial statements which follow this discussion.

Financial Highlights

- In the Government-Wide - Statement of Net Position: The City’s assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$1.04 billion (net position) at June 30, 2016.
- In the Government-Wide - Statement of Net Position: The City’s total net position increased \$23.1 million for fiscal year 2015-2016.
- In the Governmental Fund – Balance Sheet: The General Fund had an end of year fund balance of \$51.1 million. This was an increase of \$7.7 million and an increase of 17.7% in comparison with the prior year.
- In the Governmental Fund – Balance Sheet: The General Fund had \$37.0 million in unassigned fund balance an increase of \$5.9 million in comparison with the prior year. This amount is not constrained in any way and is available for any purpose.
- The total debt of the City showed a net increase of \$7.8 million (8.0%) during the current fiscal year. The increase was primarily a result of the issue of a 2015 Lease Revenue Bond in the amount of \$10.4 million to partially finance the Kitching Substation project.

Overview of Financial Statements

The City’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Components of the Basic Financial Statements

Government-wide Financial Statements	Provide both long-term and short-term information about the City’s overall financial status
Fund Financial Statements	Focus on individual parts of the City government, reporting the City’s operations in more detail than the government-wide statements.
Notes to the Financial Statements	Additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.



Government-wide Financial Statements. The government-wide statements report information about the city as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the City's assets and liabilities, as well as any deferred outflows or inflows. The statement of activities includes all current year revenues and expenses regardless of when cash is received or paid. These government-wide statements report the City's net position and how the City's net position has changed during the fiscal year. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the City is improving or deteriorating.

The government-wide financial statements of the City are divided as follows:

- *Governmental activities* - Most of the City's basic services are included here, such as police, fire, public works, community development, parks and recreation, and general government. Taxes and state and federal grants finance most of these activities.
- *Business-type activities* - Certain services provided by the City are funded by customer fees. The business-type activities of the City include the Electric Utility.
- *Component unit* - The City includes the Moreno Valley Community Services District, Moreno Valley Public Financing Authority, and the Moreno Valley Public Facilities Financing Corporation in its basic financial statements because, although legally separate, the City is financially accountable for them.

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide more detailed information about the City's largest funds, not the City as a whole. All of the funds of the City can be divided into three categories: governmental, proprietary, and fiduciary.

Governmental funds - Governmental fund statements tell how general government services such as police, fire and public works were financed in the short-term as well as what remains for future spending. Most of the City's basic services are included in governmental funds, which focus on (1) short-term inflows and outflows of spendable resources, and (2) the remaining year-end balances available for spending. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow the governmental fund statements.

Information regarding governmental funds is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, the Community Services District Zones, the Development Impact Fees, the Housing Authority Special Revenue Funds, and the Neighborhood Stabilization Grant Fund. All of these are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the supplementary section of the report in the form of *combining statements*.

Proprietary funds - The City maintains two different types of proprietary funds--enterprise and internal service funds. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its Electric Utility. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for self-insured insurance programs, technology services, facilities maintenance, equipment maintenance, equipment replacement, and compensated absences.

Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Electric Utility, the City’s only enterprise fund, is included in the Basic Financial Statements. All internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* in the supplementary section of the report.

Fiduciary funds - Fiduciary fund statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources belong. The City is the trustee, or *fiduciary*. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City’s fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City’s government-wide financial statements because the City cannot use these resources to finance its operations.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and financial statements.

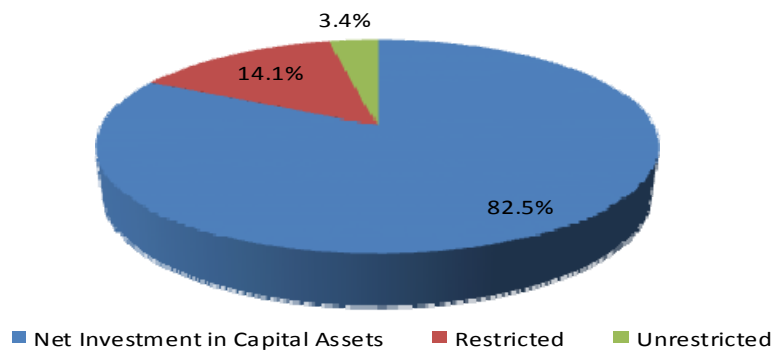
Financial Analysis of the Government-wide Statements

This section provides analysis of the government-wide financial statements including long-term and short-term information about the City’s overall financial condition. The following graphs and tables address the financial results of the City as a whole for fiscal year ended June 30, 2016. Comparative data from fiscal year ended June 30, 2016 is also represented in the table.

Analysis of Net Position

Net Position represents the difference between the City’s resources and its obligations. As noted earlier, net position may serve as a useful indicator of a government’s financial position. The following graphs and table address the financial results of the City as a whole. The City’s combined net position as of June 30, 2016 was \$1.04 billion.

City of Moreno Valley’s Net Position



City of Moreno Valley's Net Position (continued)
(\$000's)

	Governmental Activities		Business-type Activities		Totals	
	2015	2016	2015	2016	2015	2016
Current and other assets	\$ 242,486	\$ 257,000	\$ 12,784	\$ 28,547	\$ 255,270	\$ 285,547
Capital assets	907,164	905,590	38,374	40,893	945,538	946,483
Total Assets	<u>1,149,650</u>	<u>1,162,590</u>	<u>51,158</u>	<u>69,440</u>	<u>1,200,808</u>	<u>1,232,030</u>
Deferred outflows of resources	4,795	9,543	123	352	4,918	9,895
Current liabilities	21,416	22,110	3,614	4,680	25,030	26,790
Long-term liabilities	128,961	129,440	28,469	38,422	157,430	167,862
Total Liabilities	<u>150,377</u>	<u>151,550</u>	<u>32,083</u>	<u>43,102</u>	<u>182,460</u>	<u>194,652</u>
Deferred inflows of resources	7,581	8,424	195	226	7,776	8,650
Net investment in capital assets	848,136	843,153	10,903	13,978	859,039	857,131
Restricted	115,008	141,628	3,803	4,606	118,811	146,234
Unrestricted	33,343	27,377	4,298	7,881	37,641	35,258
Total Net Position	<u>\$ 996,487</u>	<u>\$ 1,012,158</u>	<u>\$ 19,004</u>	<u>\$ 26,465</u>	<u>\$ 1,015,491</u>	<u>\$ 1,038,623</u>

Total net position of the City of Moreno Valley increased by 2.0% from \$1.02 billion at June 30, 2015 to \$1.04 billion at June 30, 2016 and includes unrestricted fund balance of \$35.3 million. Total assets increased \$31.2 million and total liabilities increased \$12.2 million.

The following analysis of governmental and business-type activities provides more detailed information for these changes:

Governmental Activities

Total assets increased by \$12.9 million primarily due to increase in cash and investments and funds due from other governments.

Net investment in capital assets decreased \$5.0 million as a direct result of net decrease in capital asset. The current year capital asset additions of \$61.4 million were offset by current year depreciation expense of \$30.5 million and retirements (including transfers from CIP) net of accumulated depreciation of \$32.5 million for a net decrease of \$1.6 million.

Restricted net position increased by \$26.6 million as funds continue to be captured and programmed mostly in the areas of community development and infrastructure.

Business-type Activities

Current and other assets of business-type activities increased \$15.8 million over last year. This was primarily due to a portion of the Electric Utility's profits being retained for future infrastructure investment and bond proceeds being unspent as of June 30, 2016.

Capital assets increased \$2.5 million due to capital asset additions of \$3.8 million offset by current year depreciation expense of \$1.0 million and retirements net of accumulated depreciation of \$0.3 million. Capital asset additions include the construction of the Kitching Substation as well as other electric utility facility upgrades. More capital asset information is located in Note 5 to the financial statements.

Net investment in capital assets increased \$3.1 million as a direct result of the addition of the capital assets mentioned above.

Unrestricted net position increased \$3.6 million during the year as the Electric Utility operation resulted in an income of \$7.5 million.

Analysis of the Changes in Net Position

Total government-wide revenues increased \$3.5 million, a 1.9 percent increase from the prior year, and the total expenses decreased \$1.9 million, a 1.1 percent decrease.

The following table represents a summary of the changes in net position of the City's governmental and business-type activities, as of June 30, 2016. Comparative data from fiscal year ended June 30, 2015 is also presented.

	Changes in Net Position					
	(\$000's)					
	Governmental		Business-type		Totals	
	2015	2016	2015	2016	2015	2016
Revenues						
Program Revenues:						
Charges for services	\$ 25,260	\$ 25,186	\$ 27,679	\$ 29,364	\$ 52,939	\$ 54,550
Operating contributions and grants	27,079	22,871	-	-	27,079	22,871
Capital contributions and grants	21,732	18,079	-	-	21,732	18,079
General Revenues:						
Property tax	15,600	17,010	-	-	15,600	17,010
Property tax in lieu	15,138	16,409	-	-	15,138	16,409
Transient occupancy tax	1,197	1,416	-	-	1,197	1,416
Sales tax	16,130	18,938	-	-	16,130	18,938
Franchise tax fees	5,886	5,494	-	-	5,886	5,494
Business license tax	1,887	2,249	-	-	1,887	2,249
Utility users tax	16,138	15,825	-	-	16,138	15,825
Franchise in lieu tax	278	293	-	-	278	293
Documentary transfer tax	503	740	-	-	503	740
Other taxes	6,513	6,529	-	-	6,513	6,529
Use of money and property	3,440	4,774	138	203	3,578	4,977
Contributed capital	-	-	1,000	1,886	1,000	1,886
Other	403	2,183	142	238	545	2,421
Total Revenues	157,184	157,996	28,959	31,691	186,143	189,687
Expenses:						
General government	26,676	17,251	-	-	26,676	17,251
Public safety	56,270	56,239	-	-	56,270	56,239
Community development	9,874	9,527	-	-	9,874	9,527
Community and cultural	20,589	20,911	-	-	20,589	20,911
Public works	29,397	34,772	-	-	29,397	34,772
Interest on long-term debt	3,338	3,626	-	-	3,338	3,626
Electric	-	-	22,278	24,230	22,278	24,230
Total Expenses	146,144	142,326	22,278	24,230	168,422	166,556
Change in Net Position	11,040	15,671	6,681	7,461	17,721	23,132
Net Position Beginning of Year	985,447	996,487	12,323	19,004	997,770	1,015,491
Net Position End of Year	\$ 996,487	\$ 1,012,158	\$ 19,004	\$ 26,465	\$ 1,015,491	\$ 1,038,623

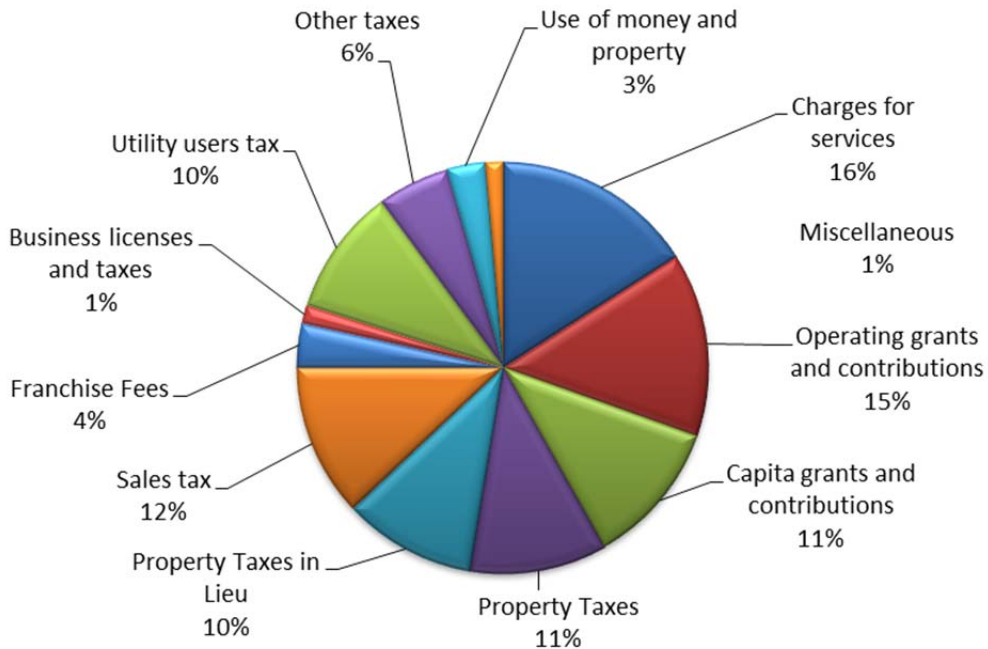
Governmental Activities

The City’s governmental revenues increased \$0.8 million, a 0.5 percent increase from the prior year, and the total expenses decreased \$3.8 million, a 2.6 percent decrease. The following discusses the changes in more detail.

Revenue

Program revenues decreased \$7.9 million primarily as a result of decreased operating and capital grants and contributions. General revenues increased \$8.7 million with the increases in Property tax, Property tax in lieu, Sales tax and Use of money and property contributing the largest percentages.

Revenues by Source – Governmental Activities



Expense

Total governmental expenses decreased by \$3.8 million. This decrease is primarily due to a reduction of expenses in general government of \$9.4 million offset with an increase in public works of \$5.4 million.

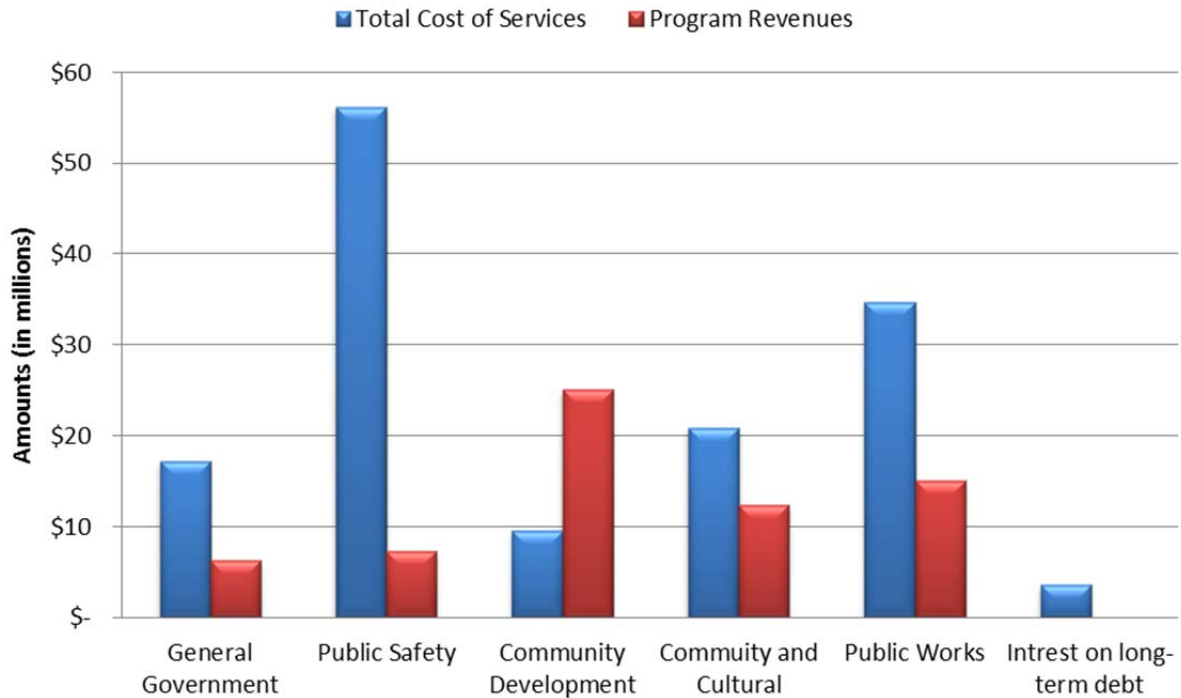
The following table presents the cost of each of the six major program categories, and identifies each program’s *net cost* (total cost less revenues generated by the activities). The net cost is the amount paid for by general revenue sources that are generated by all City taxpayers. As illustrated, program revenues recovered \$66.1 million of the cost of providing these services.

**Governmental Activities - Net Cost of Services
For the year ended June 30, 2016**

	Total Cost of Services	Net Cost of Services
General government	\$ 17,250,813	\$ (10,986,653)
Public safety	56,238,838	(48,875,101)
Community development	9,527,082	15,577,019
Community and cultural	20,910,561	(8,545,606)
Public works	34,772,563	(19,733,022)
Interest on long-term debt	3,625,887	(3,625,887)
TOTAL	\$ 142,325,744	\$ (76,189,250)

The City paid for the remaining public benefit portion of these governmental activities with \$76 million in taxes (some of which were restricted for certain programs) and with other revenues. This governmental activity cost/revenue relationship is further illustrated in the following graph.

**Governmental Activities - Net Cost of Services
For the year ended June 30, 2016**



Business-type Activities

The City's business-type activities include the activities of the Electric Utility. Total revenues for business-type activities increased \$2.7 million from the prior year or 9.4%. Total expenses increased \$2 million or 8.8%. The following discusses the changes in more detail.

Revenue

Charges for services increased \$1.7 million as a result of an increase in demand with the addition of Amazon, Proctor & Gamble, and Decker’s distribution centers. Contributed capital also increased \$0.9 million as a result of increased development contributions to the City’s electric utility infrastructure.

Expenses

Expenses in the Electric Utility increased \$2 million. This increase was primarily a direct result of purchasing additional power associated with providing services to an increased customer base.

Financial Analysis of the Fund Statements

Funds are accounting devices that the city uses to keep track of specific sources of funding and spending for particular purposes. The fund financial statements focus on individual parts of City governments, reporting City operations in more detail than the government-wide statements.

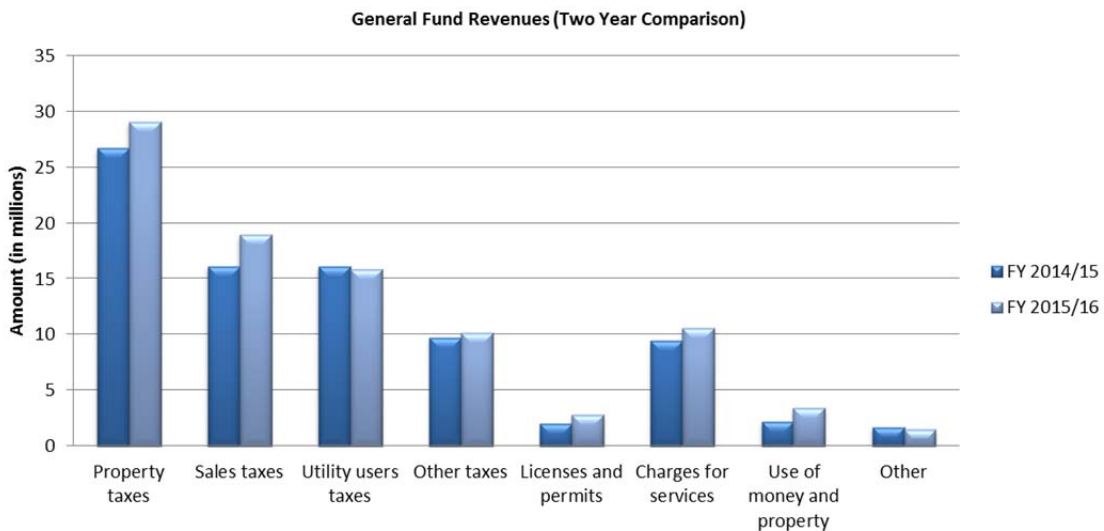
Total fund balances presented in the governmental funds balance sheet are \$161.1 million, with the General Fund representing \$51.1 million, or 31.7% of the total. The City’s General Fund has unassigned fund balance of \$37.0 million.

General Fund Financial Results

The General Fund was anticipated to have a net increase to fund balance of \$0.3 million. Actual results increased fund balance by \$7.7 million over FY 2014-15. Actual results realized an unanticipated overall revenue increase of \$2.4 million along with expenditure and transfer savings of \$5.0 million.

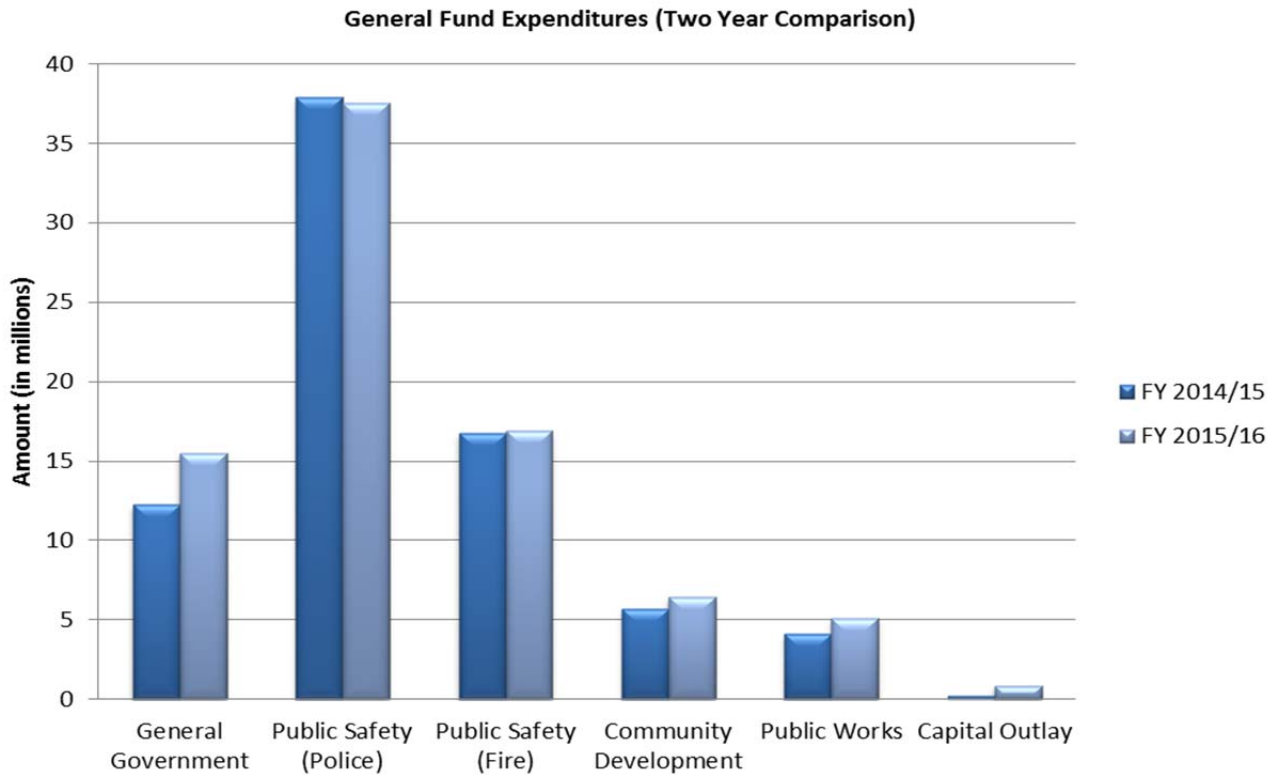
General Fund tax revenues were \$1.9 million more than anticipated and an increase in the use of money and property of \$0.1 million all contributed to the unanticipated revenue increase.

The following graph presents a comparison of each General Fund revenue source for the fiscal years ended June 30, 2015 and 2016.



General Fund actual expenditures were \$7.4 million less than the final budget. The major contributor to this result was in large part due to a combination of Police and Fire Services, and Public Work activities coming in under budget by \$3.5 million. This savings is primarily as a result of contract service savings along with the longer than anticipated delivery of specialized vehicles and equipment.

The following graph presents a comparison of each General Fund expenditure category for the fiscal years ended June 30, 2015 and 2016.



Other Major Fund Financial Results

The fund balance of the Community Service District Zones Special Revenue Fund increased by \$1.5 million over FY 2014-15. This fund accounts for the administration, operations and maintenance of the City’s various service zones established by the Moreno Valley Community Services District. The primary contributor to this result was in large part due to a combination of Public Work and Community and Cultural activities coming in under budget by \$2.3 million.

The fund balance of the Development Impact Fees Special Revenue Fund increased by \$0.9 million over FY 2014-15. This fund accounts for the developer impact fees, which are one-time charges, used to offset the additional public-service costs of new development. The increase in fund balance is primarily due to the current receipt of fees from the new development projects within the City, which are committed for future public improvement projects.

The fund balance of the Housing Authority Fund decreased \$0.1 million under FY 2014-15. This fund accounts for the housing assets as a result of the dissolution of the redevelopment agency of the City. In FY 2015-16 the fund balance decreased as a direct result of costs directly associated with the monitoring and management of the housing assets to ensure proper compliance with regulations.

The fund balance of the Neighborhood Stabilization Grant Fund remained zero. This fund accounts for the grant allocation received by the City from Housing and Urban Development to address the foreclosure crisis and implement a neighborhood stabilization program.

The fund balance of the Facility Construction Fund decreased \$1.6 million in comparison with prior year. This fund is used to account for City facility related capital projects. The decrease in fund balance is primarily due to the construction of Phase I for the new Corporate Yard Facility.

Capital Asset and Debt Administration

Capital Assets

At the end of FY 2015-16, the City's governmental activities had \$1.3 billion (\$905.6 million net of depreciation) invested in a broad range of capital assets, including land, buildings and improvements, machinery and equipment, vehicles, park facilities, roads, highways and bridges. The current year capital asset additions of \$61.4 million were offset by current year depreciation expense of \$30.5 million and retirements (including transfers from CIP) net of accumulated depreciation of \$32.5 million for a net decrease of \$1.6 million primarily attributed to the decrease in construction-in-progress and machinery and equipment.

At June 30, 2016, the City's business-type activities had \$48.7 million (\$40.9 million net of depreciation) invested in capital assets, primarily utility infrastructure. The current capital asset additions of \$3.8 million were offset by current depreciation expense of \$1.0 million and retirements net of accumulated depreciation of \$0.3 million for a net increase of \$2.5 million. This increase was primarily the result of the construction of the Kitching Substation and SCE Facility Upgrades.

City of Moreno Valley Capital Assets (\$000's)

	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2015	2016	2015	2016	2015	2016	
Land	\$ 310,197	\$ 310,197	\$ 1,729	\$ 1,729	\$ 311,926	\$ 311,926	0%
Buildings and Improvements	137,931	141,891	-	-	137,931	141,891	3%
Machinery and Equipment	19,752	19,420	-	-	19,752	19,420	-2%
Vehicles	9,050	9,259	-	-	9,050	9,259	2%
Construction in Progress	32,746	19,494	5	1,410	32,751	20,904	-36%
Infrastructure	804,150	839,999	43,731	45,592	847,881	885,591	4%
	<u>1,313,826</u>	<u>1,340,260</u>	<u>45,465</u>	<u>48,731</u>	<u>1,359,291</u>	<u>1,388,991</u>	2%
Accumulated Depreciation	(406,662)	(434,670)	(7,091)	(7,838)	(413,753)	(442,508)	7%
Total Capital Assets	<u>\$ 907,164</u>	<u>\$ 905,590</u>	<u>\$ 38,374</u>	<u>\$ 40,893</u>	<u>\$ 945,538</u>	<u>\$ 946,483</u>	0%

Some of the major capital projects from the Capital Improvement Plan that were completed during the current fiscal year were:

- State Route 60/Nason St. Bridge
- Sunnymead Blvd./Indian St.-SR-60/Perris Blvd Off Ramp
- Corporate Yard Facility – Phase 1
- Nason St./Riverside County Regional Medical Center Traffic Signals
- Perris Blvd./Ironwood Ave. to Manzanita Street Improvement
- Emergency Vehicle Pre-Emption system

Some major capital projects under construction at the end of the fiscal year which are expected to be completed by the end of the next fiscal year are:

- Cycle 2 Citywide Pavement Resurfacing
- Reche Vista Drive Realignment
- Bike Lane Improvements (12 locations)
- Citywide Pedestrian Improvements

Other major projects that are in the Design, Environmental and Right of Way Acquisition Phases are:

- Farragut Ave. Street Improvements
- Safe Routes to School Street Improvements
- Sunnymead Master Drainage Plan
- Juan Bautista de Anza Trail
- Hubbard St. Storm Drain
- Intelligent Transportation System (ITS) Deployment Phase 1B

Additional information on the City’s capital assets can be found in Note 5 to the basic financial statements.



Corporate Yard Facility



Corporate Yard Facility

Long-Term Debt

At year-end, the City’s governmental activities had \$68.3 million in bonds, notes, certificates of participation, leases, and compensated absences, versus \$70.4 million last year, a decrease of \$2.1 million, or 3%. This decrease was due primarily to principal payments on the special tax bonds, lease revenue bonds and notes, and other.

At June 30, 2016, the City’s business-type activities had \$37.0 million in bonds and compensated absences versus \$27.1 million last year, an increase of \$9.9 million. The increase was primarily due to the issue of a 2015 lease revenue bond for \$10.4 million to partially finance the Kitching Substation project.

**Outstanding Debt at Year End
For the Year Ended June 30, 2016**

	Governmental Activities	Business-type Activities
Special tax bonds	\$ 7,700,000	\$ -
Notes and other	2,838,000	-
Certificates of participation	20,000,000	-
Lease revenue bonds	31,400,069	36,739,931
Compensated absences	6,340,029	245,716
	<u>\$ 68,278,098</u>	<u>\$ 36,985,647</u>

Additional information on the City's long-term debt can be found in Note 6 to the basic financial statements.

Economic Factors and Outlook for Future Years

Although the focus of this Annual Report is on the economic condition of the City in the fiscal year that ended June 30, 2016, it is important for the City's financial management to report on current issues affecting the City and their economic impact on FY 2015-16 and future years.

The economic recovery of the City of Moreno Valley has continued to demonstrate steady improvements as our tax revenues continue to experience moderate growth. Although the economic downturn has impacted Moreno Valley, with a population estimate of 205,383, Moreno Valley is still experiencing population growth. Moreno Valley remains the second largest city in Riverside County and is presently the fourth largest city in the Inland Region. Though population growth has slowed because of the economy, population growth continues in Moreno Valley because of its strategic location at the junction of Interstate I-215 and State Route 60, along with offering a wide array of quality housing options, a family oriented lifestyle and a variety of quality of life amenities.

For several years Moreno Valley has experienced substantial non-residential growth including significant new commercial retail and industrial development. The economy has slowed commercial development in Southern California, but Moreno Valley continues to secure new business development opportunities. In FY 2015-16 several new retail and industrial developments opened adding to the sales tax base which will provide a foundation for sales tax revenue to continue to grow moderately in the near future.

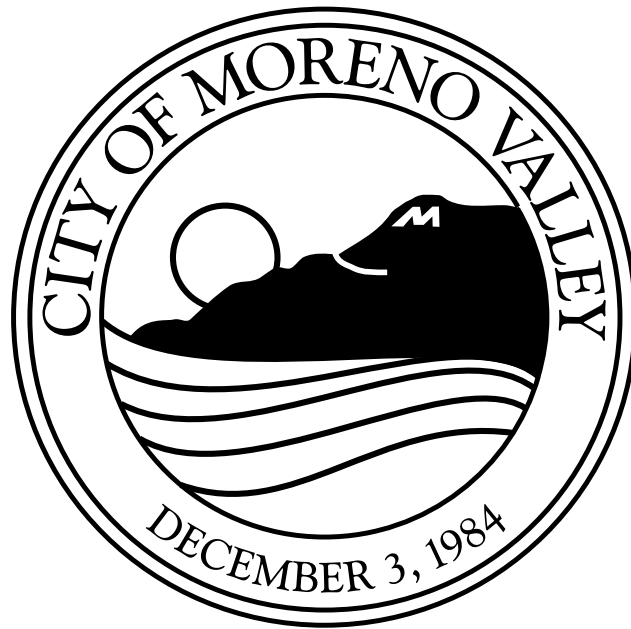
Current economic activity is in the commercial sector, with a specific focus on logistics/distribution centers and medical support businesses. The City Council approved an Economic Development Action Plan during FY 2010-11 that specifically focuses on these market sectors to rebuild the City's tax revenue base and promote job creation. Following this path the City Council recently approved the largest single industrial development project in California's history, the World Logistic Center which is a world class business park specifically designed to support the requirements of large global companies and their logistics operations. The impact of these actions by City Council has had a positive influence on the unemployment rate in our City as we continue to experience a decrease in the unemployment rate. Further, the City celebrated the grand opening of many new restaurants in FY 2015-16. Recently opened dining establishments this year included: El Pollo Loco, Armando's

Mexican Restaurant, Cumin Thai, Tilted Kilt, Charley's Philly Steak, Knockout Burgers & Gyros, Mechie's Frozen Yogurt, PizaCode, Pupuseria Ita's Salvadorian restaurant, Rally's Burgers, Shrimp Factory. Creating employment opportunities and job growth is important to the continued development of the community and to the growth of the City's tax revenue base in the future.

In last year's credit status review by Standard & Poor's the City's credit rating was upgraded to A positive with a stable outlook. A key factor in achieving the strong rating result was the action of City Council and the City Manager to balance the City's General Fund budget. The City's ongoing commitment to fiscal responsibility and effective management is continuously demonstrated as we navigate complex fiscal challenges without the use of General Fund reserves. Our City Council and management team strategized, planned and delivered on a balanced budget and as revenues continue to steadily grow we look forward to strategizing and planning our continued economic recovery.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. For component units that publish separate financial statements, those statements can be obtained from the City Clerk. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer/City Treasurer, City of Moreno Valley, 14177 Frederick Street, P.O. Box 88005, Moreno Valley, California 92552-0805.



City of Moreno Valley, California

Statement of Net Position
June 30, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Pooled cash and investments (note 3)	\$ 155,226,269	\$ 14,779,946	\$ 170,006,215
Receivables:			
Accounts	2,764,928	3,642,083	6,407,011
Notes and loans (note 4)	46,540,686	-	46,540,686
Notes to Successor Agency (note 4)	14,805,341	-	14,805,341
Interest	2,868,309	-	2,868,309
Due from agency funds	4,267	-	4,267
Prepaid costs	8,034	-	8,034
Due from other governments	22,805,290	-	22,805,290
Inventories	30,744	326,795	357,539
Land held for resale	6,776,170	-	6,776,170
Restricted assets:			
Cash with fiscal agents (note 3)	5,169,663	9,798,668	14,968,331
Capital assets not being depreciated (note 5)	329,690,754	3,139,281	332,830,035
Capital assets, net of depreciation (note 5)	575,898,974	37,753,699	613,652,673
Total Assets	1,162,589,429	69,440,472	1,232,029,901
Deferred Outflows of Resources			
Deferred outflows of resources related to pensions	9,542,694	352,282	9,894,976
Total Deferred Outflows of Resources	9,542,694	352,282	9,894,976
Liabilities			
Accounts payable	19,472,256	3,479,536	22,951,792
Accrued liabilities	1,201,992	-	1,201,992
Accrued interest	417,655	319,068	736,723
Unearned revenue	765,714	21,622	787,336
Deposits payable	3,539	859,849	863,388
Due to other governments	248,835	-	248,835
Noncurrent liabilities:			
Long-term debt, due within one year (note 6)	7,440,759	1,002,430	8,443,189
Long-term debt, due in more than one year (note 6)	66,471,996	35,957,265	102,429,261
Net pension liability	55,526,975	1,462,149	56,989,124
Total Liabilities	151,549,721	43,101,919	194,651,640
Deferred Inflows of Resources			
Deferred inflows of resources related to pensions	8,424,289	226,089	8,650,378
Total Deferred Inflows of Resources	8,424,289	226,089	8,650,378
Net Position			
Net investment in capital assets	843,153,359	13,977,670	857,131,029
Restricted for:			
Community development projects	67,426,468	-	67,426,468
Public safety	473,282	-	473,282
Community and cultural	17,003,008	-	17,003,008
Public works	21,608,793	-	21,608,793
Capital projects	24,336,735	-	24,336,735
Debt service	9,734,330	-	9,734,330
Permanent funds - nonexpendable	337,682	-	337,682
Water quality	707,617	-	707,617
Public purpose programs	-	4,605,893	4,605,893
Unrestricted	27,376,839	7,881,183	35,258,022
Total Net Position	\$ 1,012,158,113	\$ 26,464,746	\$ 1,038,622,859

See notes to Financial Statements

City of Moreno Valley, California

Statement of Activities
June 30, 2016

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	
Primary government:				
Governmental activities:				
General government	\$ 17,250,813	\$ 6,142,310	\$ 121,850	\$ -
Public safety	56,238,838	3,409,176	3,954,561	-
Community development	9,527,082	7,437,687	1,225,925	16,440,489
Community and cultural	20,910,561	4,927,785	7,437,170	-
Public works	34,772,563	3,268,761	10,131,877	1,638,903
Interest on long term debt	3,625,887	-	-	-
Total governmental activities	142,325,744	25,185,719	22,871,383	18,079,392
Business-type activities:				
Electric	24,230,158	29,363,663	-	-
Total business-type activities	24,230,158	29,363,663	-	-
Total primary government	\$166,555,902	\$ 54,549,382	\$ 22,871,383	\$ 18,079,392

General Revenues:

Taxes:

Property taxes
Property taxes in lieu
Transient occupancy taxes
Sales taxes
Franchise taxes
Business licenses taxes
Utility users tax
Other taxes
Franchise in lieu taxes
Documentary transfer tax
Use of money and property
Contributed capital
Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning of year

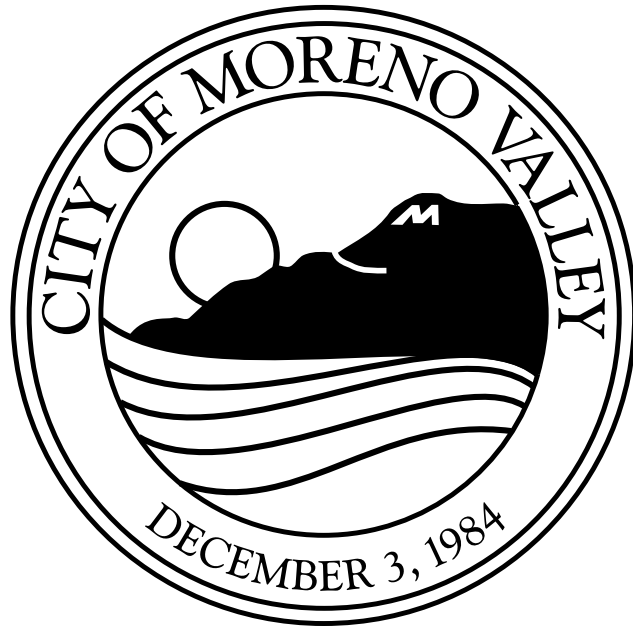
Net Position - End of year*See notes to Financial Statements*

City of Moreno Valley, California

Statement of Activities
June 30, 2016

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (10,986,653)	\$ -	\$ (10,986,653)
(48,875,101)	-	(48,875,101)
15,577,019	-	15,577,019
(8,545,606)	-	(8,545,606)
(19,733,022)	-	(19,733,022)
(3,625,887)	-	(3,625,887)
(76,189,250)	-	(76,189,250)
-	5,133,505	5,133,505
-	5,133,505	5,133,505
(76,189,250)	5,133,505	(71,055,745)
17,009,795	-	17,009,795
16,409,009	-	16,409,009
1,416,343	-	1,416,343
18,937,738	-	18,937,738
5,493,936	-	5,493,936
2,249,400	-	2,249,400
15,824,481	-	15,824,481
6,529,065	-	6,529,065
293,022	-	293,022
740,120	-	740,120
4,774,277	202,544	4,976,821
-	1,886,273	1,886,273
2,182,732	238,332	2,421,064
91,859,918	2,327,149	94,187,067
15,670,668	7,460,654	23,131,322
996,487,445	19,004,092	1,015,491,537
\$ 1,012,158,113	\$ 26,464,746	\$1,038,622,859

See notes to Financial Statements



MAJOR GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial resources of the city traditionally associated with government operations which are not required legally or by sound financial management to be accounted for in another fund.

Community Services District (CSD) Zones Special Revenue Fund

This group of funds is used to account for the revenues expended on the various Community Services District (CSD) programs. There are ten Zones within the CSD providing services. Zone A-Parks and Community Services provides citywide park maintenance and recreation programming. Zone C-Arterial Street and Intersection Lighting provides funding for arterial street lighting and intersection lighting on major roadways throughout the zone. Zone D-Parkway Landscape Maintenance and Zone E-Extensive Landscape Maintenance provide funding for the maintenance of public landscaping throughout the City. Zone L-Library Services provides funding for library services to the City residents. Zone M-Commercial, Industrial, and/or Multifamily Median Maintenance provides funding for the landscape maintenance of public medians within the City. Community Facilities District (CFD) #1 provides funding for the maintenance of new parks, trails and class 1 bikeways. Zone S- Sunnymead Boulevard Maintenance provides funding for the maintenance of certain landscape improvements along Sunnymead Boulevard. Lighting Maintenance District (LMD) 2014-01 provides funding for the operation and maintenance of residential subdivision street lighting. Landscape Maintenance District (LMD) 2014-02 provides funding for the maintenance of public landscaping throughout the city.

Development Impact Fees Special Revenue Fund

This group of funds is used to account for the restricted fees collected to provide funding for capital improvements related to the impact of development on various City services. The City collects fees for the following: arterial streets, traffic signals, fire facilities, police facilities, parkland facilities, Quimby in-lieu of parks, recreation facilities, library facilities, city hall facilities, corporate yard facilities, interchange improvements, maintenance equipment, animal shelter facilities, and administration fees.

Housing Authority Fund

This fund is used to account for the housing assets as a result of the dissolution of the former Community Redevelopment Agency of the City.

Neighborhood Stabilization Program Fund

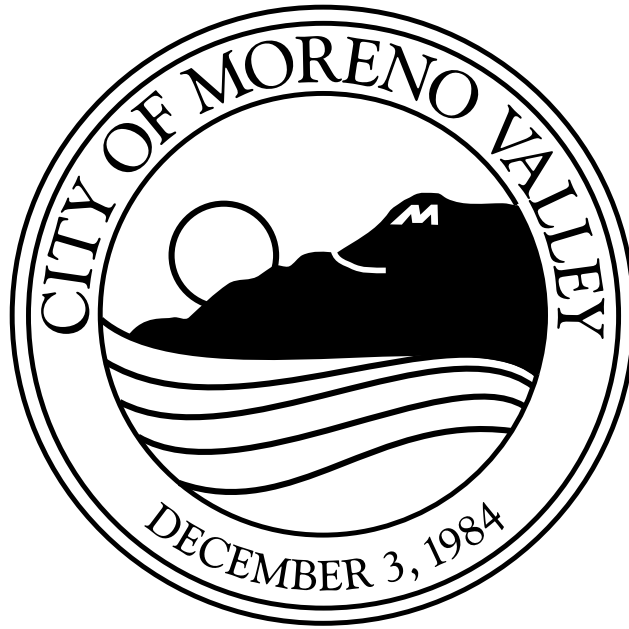
This fund is used to account for the grant allocation received by the City from HUD to address the foreclosure crisis and implement a neighborhood stabilization program (NSP) aimed at assisting low-to-moderate income households, while targeting the areas of the City most affected by the foreclosures.

MAJOR GOVERNMENTAL FUNDS (CONTINUED)**Facility Construction Fund**

This fund is used to account for City facility related capital projects.

Nonmajor Governmental Funds

These funds constitute all other governmental funds that do not meet the criteria to be a major fund, which is 10% or more of assets, liabilities, revenues or expenditures for the governmental funds and 5% or more of total assets, liabilities, revenues or expenditures for the total governmental and enterprise funds combined. These funds include other Special Revenue Funds, all Capital Projects Funds, all Debt Service Funds and all Permanent Funds of the City.



City of Moreno Valley, California

Balance Sheet
Governmental Funds
June 30, 2016

	Special Revenue Funds			
	General	CSD Zones	Development Impact Fees	Housing Authority
Assets				
Pooled cash and investments (note 3)	\$ 46,604,828	\$ 16,627,649	\$ 16,422,322	\$ 1,103,642
Receivables:				
Accounts	2,246,166	87,937	-	-
Notes and loans (note 4)	-	-	-	33,426,080
Notes to Successor Agency (note 4)	14,805,341	-	-	-
Interest	457,172	-	-	1,874,479
Due from other governments	6,402,580	1,283,749	-	-
Due from other funds (note 7)	5,599,820	-	-	-
Advances to other funds (note 7)	4,222,000	-	-	-
Prepays	6,338	-	-	-
Land held for resale	-	-	-	3,916,126
Restricted assets:				
Cash with fiscal agents (note 3)	-	-	-	-
Total Assets	\$ 80,344,245	\$ 17,999,335	\$ 16,422,322	\$ 40,320,327
Liabilities, Deferred Inflows of Resources and Fund Balances:				
Liabilities				
Accounts payable	\$ 15,953,785	\$ 745,968	\$ -	\$ 28,900
Accrued liabilities	1,134,613	-	-	-
Unearned revenues	422,058	232,051	-	-
Deposits payable	-	3,540	-	-
Due to other governments	248,812	23	-	-
Due to other funds (note 7)	-	14,745	-	-
Advances from other funds	-	-	4,222,000	-
Total Liabilities	17,759,268	996,327	4,222,000	28,900
Deferred Inflows of Resources				
Unavailable revenues	11,462,942	-	-	1,874,479
Total Deferred Inflows of Resources	11,462,942	-	-	1,874,479
Fund Balances				
Nonspendable:				
Notes and loans	-	-	-	-
Notes to Successor Agency	3,987,639	-	-	-
Advances to other funds	4,222,000	-	-	-
Permanent fund principal	-	-	-	-
Prepays	6,338	-	-	-
Restricted for:				
Community development projects	-	-	-	38,416,948
Public safety	-	-	-	-
Community and cultural	-	17,003,008	-	-
Public works	-	-	12,200,322	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowments	-	-	-	-
Water quality	-	-	-	-
Committed to:				
Revolving line of credit	2,600,000	-	-	-
Maintenance of pedestrian bridge	155,281	-	-	-
Library development	-	-	-	-
Assigned to:				
Continuing appropriations	1,361,187	-	-	-
Temporary fluctuations in market value of investments pursuant to GASB 31	1,787,851	-	-	-
Unassigned	37,001,739	-	-	-
Total Fund Balances	51,122,035	17,003,008	12,200,322	38,416,948
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 80,344,245	\$ 17,999,335	\$ 16,422,322	\$ 40,320,327

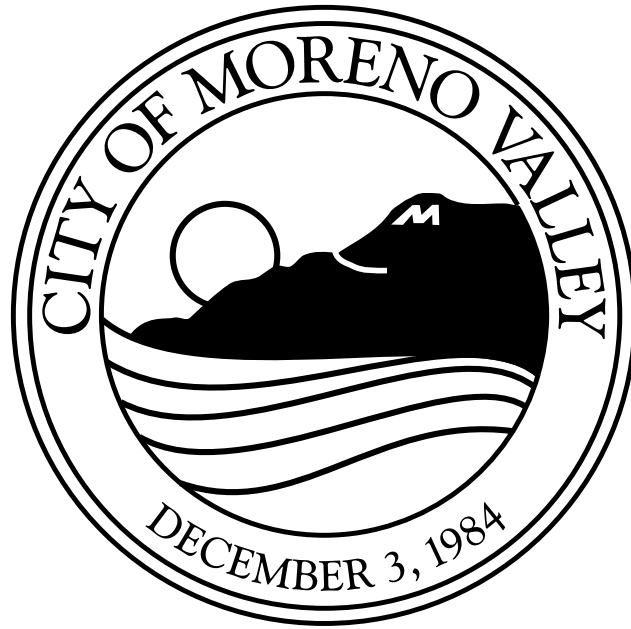
See notes to Financial Statements

City of Moreno Valley, California

Balance Sheet
Governmental Funds
June 30, 2016

Special Revenue Fund Neighborhood Stabilization Grant	Capital Project Fund Facility Construction	Nonmajor Governmental	Total Governmental Funds	
\$ -	\$ 6,253,568	\$ 25,253,000	\$ 112,265,009	Assets
-	-	430,714	2,764,817	Pooled cash and investments (note 3)
7,432,121	-	5,682,485	46,540,686	Receivables:
-	-	-	14,805,341	Accounts
-	-	536,658	2,868,309	Notes and loans (note 4)
275,503	10,128,000	4,715,458	22,805,290	Notes to Successor Agency (note 4)
-	-	-	5,599,820	Interest
-	-	-	4,222,000	Due from other governments
-	-	-	6,338	Due from other funds (note 7)
2,860,044	-	-	6,776,170	Advances to other funds (note 7)
-	-	-	-	Prepays
-	-	5,169,663	5,169,663	Land held for resale
-	-	-	-	Restricted assets:
-	-	-	-	Cash with fiscal agents (note 3)
\$ 10,567,668	\$ 16,381,568	\$ 41,787,978	\$ 223,823,443	Total Assets
				Liabilities, Deferred Inflows of Resources and Fund Balances:
\$ 170	\$ 400,357	\$ 2,028,809	\$ 19,157,989	Liabilities
-	-	67,379	1,201,992	Accounts payable
-	-	111,605	765,714	Accrued liabilities
-	-	-	3,540	Unearned revenues
-	-	-	248,835	Deposits payable
3,135,377	-	2,445,431	5,595,553	Due to other governments
-	-	-	4,222,000	Due to other funds (note 7)
3,135,547	400,357	4,653,224	31,195,623	Advances from other funds
				Total Liabilities
7,432,121	10,128,000	637,987	31,535,529	Deferred Inflows of Resources
7,432,121	10,128,000	637,987	31,535,529	Unavailable revenues
				Total Deferred Inflows of Resources
-	-	5,581,156	5,581,156	Fund Balances
-	-	-	3,987,639	Nonspendable:
-	-	-	4,222,000	Notes and loans
-	-	288,098	288,098	Notes to Successor Agency
-	-	-	6,338	Advances to other funds
-	-	-	-	Permanent fund principal
-	-	-	-	Prepays
-	-	2,020,835	40,437,783	Restricted for:
-	-	473,282	473,282	Community development projects
-	-	-	17,003,008	Public safety
-	-	9,408,471	21,608,793	Community and cultural
-	4,853,211	8,355,524	13,208,735	Public works
-	-	9,734,330	9,734,330	Capital projects
-	-	49,584	49,584	Debt service
-	-	707,617	707,617	Endowments
-	-	-	-	Water quality
-	-	-	2,600,000	Committed to:
-	-	-	155,281	Revolving line of credit
-	1,000,000	-	1,000,000	Maintenance of pedestrian bridge
-	-	-	1,361,187	Library development
-	-	-	1,787,851	Assigned to:
-	-	-	-	Continuing appropriations
-	-	-	-	Temporary fluctuations in market value of investments
-	-	-	-	pursuant to GASB 31
-	-	(122,130)	36,879,609	Unassigned
10,567,668	16,381,568	41,787,978	223,823,443	Total Fund Balances
				Total Liabilities, Deferred Inflows of Resources and Fund Balances

See notes to Financial Statements



City of Moreno Valley, California

**Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2016**

Fund balances - total governmental funds	\$	161,092,291
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity		
Capital Assets (excludes internal service capital assets)		1,317,167,284
Accumulated depreciation (excludes internal service accumulated depreciation)		(424,420,284)
Long-term debt and compensated absences have not been included in the governmental fund activity:		
2007 Towngate Special Tax Refunding Bonds	\$ (5,335,000)	
2007 Towngate Improvement Tax Refunding	(2,365,000)	
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	(776,000)	
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	(2,062,000)	
2013 Refunding of 2005 Lease Revenue Bonds	(8,798,000)	
2013 Total Road Improvement Certificates of Participation	(20,000,000)	
2014 Refunding of 2005 Lease Revenue Bonds Unamortized Premium/Discount	(22,602,069) (2,074,998)	
Compensated Absences	<u>(6,061,760)</u>	(70,074,827)
Governmental funds report all OPEB contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as an asset or liability		(1,599,000)
Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the governmental funds		9,542,694
Accrued interest payable for the current portion of interest due on long-term debt has not been reported in the governmental funds		(417,655)
Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity		31,535,529
Long-term liabilities related to pension are not due and payable in the current period and therefore are not reported in the governmental funds:		
Net pension liability		(55,526,975)
Deferred inflows of resources related to pensions are not current obligation and are not reported in the governmental funds		(8,424,289)
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position		53,283,345
Net Position of Governmental Activities	\$	<u><u>1,012,158,113</u></u>

City of Moreno Valley, California

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2016**

	Special Revenue Funds			
	General	CSD Zones	Development Impact Fees	Housing Authority
Revenues				
Taxes:				
Property taxes	\$ 12,679,455	\$ 4,330,340	\$ -	\$ -
Property taxes in lieu	16,409,009	-	-	-
Utility users taxes	15,824,481	-	-	-
Sales taxes	18,937,738	-	-	-
Other taxes	10,192,821	6,387,448	-	-
Licenses and permits	2,834,449	-	-	-
Intergovernmental	802,523	-	-	-
Fees and charges for services	10,628,482	6,015,891	2,803,507	25,000
Use of money and property	3,457,642	926,457	241,809	-
Fines and forfeitures	530,222	39,161	-	-
Miscellaneous	165,620	1,034,881	-	200
Total Revenues	92,462,442	18,734,178	3,045,316	25,200
Expenditures				
Current:				
General government	15,505,987	-	-	-
Public safety	54,402,142	-	-	-
Community development	6,426,431	-	-	156,834
Community and cultural	-	11,644,268	-	-
Public works	5,114,325	6,542,816	-	-
Capital outlay	890,479	38,963	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Current Expenditures	82,339,364	18,226,047	-	156,834
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,123,078	508,131	3,045,316	(131,634)
Other Financing Sources (Uses):				
Transfers in (note 7)	663,238	1,004,137	1,239,184	-
Transfers out (note 7)	(2,741,671)	-	(3,362,197)	-
Contributions from Successor Agency	-	-	-	-
Contributions to Successor Agency	(298,513)	-	-	-
Total Other Financing Sources (Uses)	(2,376,946)	1,004,137	(2,123,013)	-
Net Change in Fund Balances	7,746,132	1,512,268	922,303	(131,634)
Fund Balances				
Beginning of year	43,375,903	15,490,740	11,278,019	38,548,582
End of year	\$ 51,122,035	\$ 17,003,008	\$ 12,200,322	\$ 38,416,948

See notes to Financial Statements

City of Moreno Valley, California

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2016**

Special Revenue Fund	Capital Project Fund			
Neighborhood Stabilization Grant	Facility Construction	Nonmajor Governmental Funds	Total Governmental Funds	
				Revenues
				Taxes:
\$ -	\$ -	\$ -	\$ 17,009,795	Property taxes
-	-	-	16,409,009	Property taxes in lieu
-	-	-	15,824,481	Utility users taxes
-	-	-	18,937,738	Sales taxes
-	-	141,617	16,721,886	Other taxes
-	-	-	2,834,449	Licenses and permits
1,153,412	1,000,000	24,507,923	27,463,858	Intergovernmental
-	-	1,721,013	21,193,893	Charges for services
-	-	109,022	4,734,930	Use of money and property
-	-	-	569,383	Fines and forfeitures
-	-	1,072,587	2,273,288	Miscellaneous
<u>1,153,412</u>	<u>1,000,000</u>	<u>27,552,163</u>	<u>143,972,711</u>	Total Revenues
				Expenditures
				Current
-	-	769,229	16,275,216	General government
-	-	738,079	55,140,221	Public safety
1,153,412	-	1,380,143	9,116,820	Community development
-	-	7,386,797	19,031,065	Community and cultural
-	-	7,636,486	19,293,627	Public works
-	2,793,310	15,863,252	19,586,004	Capital outlay
-	-	3,092,176	3,092,176	Debt service:
-	-	2,950,685	2,950,685	Principal retirement
<u>1,153,412</u>	<u>2,793,310</u>	<u>39,816,847</u>	<u>144,485,814</u>	Interest and fiscal charges
				Total current expenditures
-	(1,793,310)	(12,264,684)	(513,103)	Excess (Deficiency) of Revenues Over (Under) Expenditures
				Other Financing Sources (Uses):
-	155,000	6,157,296	9,218,855	Transfers in (note 7)
-	-	(2,484,141)	(8,588,009)	Transfers out (note 7)
-	-	1,620,000	1,620,000	Contributions from Successor Agency
-	-	-	(298,513)	Contributions to Successor Agency
<u>-</u>	<u>155,000</u>	<u>5,293,155</u>	<u>1,952,333</u>	Total Other Financing Sources (Uses)
				Net Change in Fund Balances
-	(1,638,310)	(6,971,529)	1,439,230	
				Fund Balances
-	7,491,521	43,468,296	159,653,061	Beginning of year
<u>\$ -</u>	<u>\$ 5,853,211</u>	<u>\$ 36,496,767</u>	<u>\$ 161,092,291</u>	End of year

See notes to Financial Statements

City of Moreno Valley, California

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2016

Net change in fund balances - total governmental funds \$ 1,439,230

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay 28,577,931
Depreciation expense (29,379,229)

The issuance of long-term debt provides current financial resources in the governmental funds, but issuing debt increases the long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Repayment of debt 3,092,176
Amortization of bond premiums 189,292
Amortization of bond discount (5,400)

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. 18,322

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (877,416)

Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however, in the statement of activities only the ARC is an expense. This is the amount by which contributions made exceeded the ARC. (6,000)

Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. 11,228,863

Pension expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the amount by which actuarially calculated pension expense exceeded the contributions during the year 848,907

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The change in net position of the internal service funds is reported with the governmental funds. 543,992

Change in net position of governmental activities \$ 15,670,668

See notes to Financial Statements

City of Moreno Valley, California
Budgetary Comparison Statement
General Fund
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Taxes:				
Property taxes	\$ 12,072,224	\$ 12,072,224	\$ 12,679,455	\$ 607,231
Property taxes in-lieu	15,732,303	15,732,303	16,409,009	676,706
Utility users taxes	15,912,000	15,912,000	15,824,481	(87,519)
Sales taxes	19,269,321	19,269,321	18,937,738	(331,583)
Other taxes	9,155,250	9,155,250	10,192,821	1,037,571
Licenses and permits	2,090,930	2,853,930	2,834,449	(19,481)
Intergovernmental	230,000	774,655	802,523	27,868
Fees and charges for services	10,733,409	10,815,689	10,628,482	(187,207)
Use of money and property	3,469,962	2,706,962	3,457,642	750,680
Fines and forfeitures	623,760	623,760	530,222	(93,538)
Miscellaneous	103,401	143,401	165,620	22,219
Total revenues	89,392,560	90,059,495	92,462,442	2,402,947
Expenditures				
Current:				
General government				
City council	621,116	793,846	747,283	46,563
City manager	1,640,137	3,961,482	3,332,096	629,386
City clerk	512,583	562,583	474,344	88,239
City attorney	723,542	733,587	697,535	36,052
Financial and management services	7,496,505	5,178,530	4,521,110	657,420
Administrative services	3,863,047	3,950,872	3,758,408	192,464
Non-departmental	574,000	574,000	1,975,211	(1,401,211)
Public safety				
Police	39,309,484	39,885,346	37,506,479	2,378,867
Fire	18,055,816	18,039,811	16,895,663	1,144,148
Community development	6,754,153	6,906,378	6,426,431	479,947
Public works	5,401,551	5,899,667	5,114,325	785,342
Capital outlay	2,557,909	3,208,230	890,479	2,317,751
Total Expenditures	87,509,843	89,694,332	82,339,364	7,354,968
Excess(Deficiency) of Revenues				
Over (Under) Expenditures	1,882,717	365,163	10,123,078	9,757,915
Other Financing Sources (Uses)				
Transfers in	2,492,842	2,997,444	663,238	(2,334,206)
Transfers out	(3,399,383)	(2,743,137)	(2,741,671)	1,466
Contributions to Successor Agency	-	(298,513)	(298,513)	-
Total Other Financing Sources (uses)	(906,541)	(44,206)	(2,376,946)	(2,332,740)
Net Change in Fund Balances	976,176	320,957	7,746,132	7,425,175
Fund Balance - Beginning of year	43,375,903	43,375,903	43,375,903	-
Fund Balance - End of year	\$ 44,352,079	\$ 43,696,860	\$ 51,122,035	\$ 7,425,175

See notes to Financial Statements

City of Moreno Valley, California
Budgetary Comparison Statement
CSD Zones
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes:				
Property taxes	\$ 4,045,429	\$ 4,045,429	\$ 4,330,340	\$ 284,911
Other taxes	6,392,300	6,392,300	6,387,448	(4,852)
Fees and charges for services	6,162,347	5,969,447	6,015,891	46,444
Use of money and property	743,900	743,900	926,457	182,557
Fines and forfeitures	50,000	50,000	39,161	(10,839)
Miscellaneous	9,150	1,036,052	1,034,881	(1,171)
Total Revenues	17,403,126	18,237,128	18,734,178	497,050
Expenditures				
Current:				
Community and cultural	12,225,286	12,301,542	11,644,268	657,274
Public works	6,987,315	7,873,707	6,542,816	1,330,891
Capital outlay	50,792	396,418	38,963	357,455
Total Expenditures	19,263,393	20,571,667	18,226,047	2,345,620
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,860,267)	(2,334,539)	508,131	2,842,670
Other Financing Sources (Uses)				
Transfers in	1,510,383	1,336,399	1,004,137	(332,262)
Total Other Financing Sources (Uses)	1,510,383	1,336,399	1,004,137	(332,262)
Net Change in Fund Balances	(349,884)	(998,140)	1,512,268	2,510,408
Fund Balance - Beginning of year	15,490,740	15,490,740	15,490,740	-
Fund Balance - End of year	\$ 15,140,856	\$ 14,492,600	\$ 17,003,008	\$ 2,510,408

See notes to Financial Statements

City of Moreno Valley, California
Budgetary Comparison Statement
Development Impact Fees
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fees and charges for services	\$ 560,900	\$ 560,900	\$ 2,803,507	\$ 2,242,607
Use of money and property	247,000	247,000	241,809	(5,191)
Total Revenues	807,900	807,900	3,045,316	2,237,416
Excess (Deficiency) of Revenues Over (Under) Expenditures	807,900	807,900	3,045,316	2,237,416
Other Financing Sources (Uses)				
Transfers in	1,352,760	1,352,760	1,239,184	(113,576)
Transfers out	(3,144,000)	(3,480,052)	(3,362,197)	117,855
Total Other Financing Sources (uses)	(1,791,240)	(2,127,292)	(2,123,013)	4,279
Net Change in Fund Balances	(983,340)	(1,319,392)	922,303	2,241,695
Fund Balance - Beginning of year	11,278,019	11,278,019	11,278,019	-
Fund Balance - End of year	\$ 10,294,679	\$ 9,958,627	\$ 12,200,322	\$ 2,241,695

See notes to Financial Statements

City of Moreno Valley, California
Budgetary Comparison Statement
Housing Authority
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Use of money and property	\$ 72,000	\$ 72,000	\$ -	\$ (72,000)
Fees and charges for services	-	-	25,000	25,000
Miscellaneous	-	-	200	200
Total Revenues	72,000	72,000	25,200	(46,800)
Expenditures				
Current:				
Community development	72,000	159,800	156,834	2,966
Total Expenditures	72,000	159,800	156,834	2,966
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(87,800)	(131,634)	(43,834)
Net Change in Fund Balances	-	(87,800)	(131,634)	(43,834)
Fund Balance - Beginning of year	38,548,582	38,548,582	38,548,582	-
Fund Balance - End of year	\$ 38,548,582	\$ 38,460,782	\$ 38,416,948	\$ (43,834)

See notes to Financial Statements

City of Moreno Valley, California
Budgetary Comparison Statement
Neighborhood Stabilization Grant
Year Ended June 30, 2016

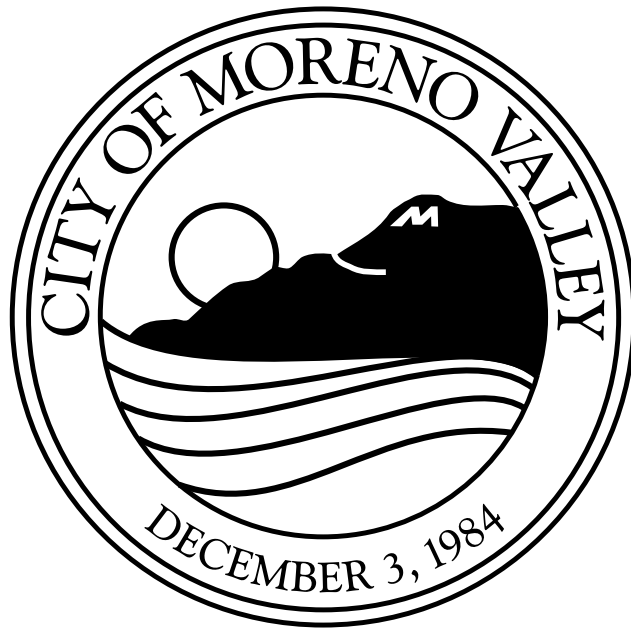
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 240,932	\$ 4,204,958	\$ 1,153,412	\$ (3,051,546)
Total revenues	240,932	4,204,958	1,153,412	(3,051,546)
Expenditures				
Current:				
Community development	240,932	4,204,958	1,153,412	3,051,546
Total Expenditures	240,932	4,204,958	1,153,412	3,051,546
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balance - Beginning of year	-	-	-	-
Fund Balance - End of year	\$ -	\$ -	\$ -	\$ -

See notes to Financial Statements

City of Moreno Valley, California
Budgetary Comparison Statement
Facility Construction
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -
Total revenues	-	1,000,000	1,000,000	-
Expenditures				
Capital outlay	-	3,372,077	2,793,310	578,767
Total Expenditures	-	3,372,077	2,793,310	578,767
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(2,372,077)	(1,793,310)	578,767
Other Financing Sources (Uses)				
Transfers in	-	155,000	155,000	-
Total Other Financing Sources (Uses)	-	155,000	155,000	-
Net Change in Fund Balances	-	(2,217,077)	(1,638,310)	578,767
Fund Balance - Beginning of year	7,491,521	7,491,521	7,491,521	-
Fund Balance - End of year	\$ 7,491,521	\$ 5,274,444	\$ 5,853,211	\$ 578,767

See notes to Financial Statements



PROPRIETARY FUNDS

ENTERPRISE FUND:

Enterprise Funds account for any activity for which a fee is charged to external users for goods or services. The City's enterprise fund is the Electric Fund. This fund is used to account for the operations of the City electric utility, with its basic purpose to purchase and distribute electricity to customers in the City's newly developed areas under the "Greenfield" concept. The City began serving its first customers in February 2004.

INTERNAL SERVICE FUNDS:

Internal Service Funds are used to account for services provided to other departments on a cost reimbursement basis. These services include providing insurance benefits, maintaining and replacing information systems, facilities maintenance, vehicle and equipment maintenance, accumulating cash reserves for equipment replacement, and payment of compensated absences.

City of Moreno Valley, California

Statement of Net Position
Proprietary Funds
June 30, 2016

	Enterprise Fund- Electric	Governmental Activities- Internal Service Funds
Assets		
Current Assets:		
Pooled cash and investments	\$ 14,779,946	\$ 42,961,260
Receivables:		
Accounts	3,642,083	111
Prepaid costs	-	1,696
Inventories	326,795	30,744
Restricted:		
Cash with fiscal agent	9,798,668	-
Total Current Assets	28,547,492	42,993,811
Noncurrent Assets:		
Capital assets (net of accumulated depreciation)	40,892,980	12,842,728
Total Noncurrent Assets	40,892,980	12,842,728
Total Assets	69,440,472	55,836,539
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	352,282	-
Total Deferred Outflows of Resources	352,282	-
Total Assets and Deferred Outflows of Resources	\$ 69,792,754	\$ 55,836,539
Liabilities		
Current Liabilities:		
Accounts payable	\$ 3,479,536	\$ 314,267
Accrued interest	319,068	-
Unearned revenue	21,622	-
Deposits payable	859,849	-
Compensated absences (note 6)	147,430	166,960
Self-insurance payable (note 12)	-	736,900
Bonds, notes, and loans payable	855,000	-
Total Current Liabilities	5,682,505	1,218,127
Noncurrent liabilities:		
Compensated absences (note 6)	98,286	111,307
Self-insurance payable (note 12)	-	1,223,760
Bonds, notes, and loans payable (note 6)	35,858,979	-
Net pension liability	1,462,149	-
Total Noncurrent Liabilities	37,419,414	1,335,067
Total Liabilities	43,101,919	2,553,194
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	226,089	-
Total Deferred Inflows of Resources	226,089	-
Net Position		
Net investment in capital assets	13,977,670	12,842,728
Restricted for public purpose programs	4,605,893	-
Unrestricted	7,881,183	40,440,617
Total Net Position	26,464,746	53,283,345
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 69,792,754	\$ 55,836,539

See notes to Financial Statements

City of Moreno Valley, California
Statement of Revenues, Expenses and
Changes in Fund Net Position
Proprietary Funds
Year Ended June 30, 2016

	<u>Enterprise Fund- Electric</u>	<u>Governmental Activities- Internal Service Funds</u>
Operating Revenues		
Sales and service charges	\$ 29,237,200	\$ 8,553,233
Miscellaneous	238,332	374,825
Total Operating Revenues	<u>29,475,532</u>	<u>8,928,058</u>
Operating Expenses		
Cost of services	886,903	5,738,094
Depreciation expense	1,007,081	1,155,180
Electricity purchased	11,860,074	-
Services and supplies	4,828,706	-
Distribution share	3,920,125	-
Self-insurance claims and charges	-	849,688
Total Operating Expenses	<u>22,502,889</u>	<u>7,742,962</u>
Net Operating Income (Loss)	<u>6,972,643</u>	<u>1,185,096</u>
Nonoperating Revenues and Expenses		
Interest revenue	202,544	-
Interest expense	(1,727,269)	-
Engineering plan check fees	126,463	-
Gain (loss) on disposal of capital assets	-	(10,257)
Total Nonoperating Revenues (Expenses)	<u>(1,398,262)</u>	<u>(10,257)</u>
Income (Loss) before contributions and transfers	5,574,381	1,174,839
Transfers and Contributions		
Contributed capital	1,886,273	-
Transfers in (Note 7)	-	8,688,977
Transfers out (Note 7)	-	(9,319,824)
Change in Net Position	<u>7,460,654</u>	<u>543,992</u>
Net Position - Beginning of year	<u>19,004,092</u>	<u>52,739,353</u>
Net Position - End of year	<u>\$ 26,464,746</u>	<u>\$ 53,283,345</u>

See notes to Financial Statements

City of Moreno Valley, California

**Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2016**

	Enterprise Fund- Electric	Governmental Activities- Internal Service Funds
Cash Flows from operating Activities:		
Cash received from customers	\$ 29,377,313	\$ 8,928,058
Cash paid to suppliers for goods and services	(20,552,569)	(4,053,663)
Cash paid to employees for services	(863,457)	(1,656,511)
Cash paid for claims	-	(1,106,028)
Net Cash Provided (Used) by Operating Activities	7,961,287	2,111,856
Cash Flows from Non-Capital Financing Activities:		
Cash transfers in	-	8,688,977
Cash transfers out	-	(9,319,824)
Net Cash Provided (Used) by Non-Capital Financing Activities	-	(630,847)
Cash Flows from Capital and Related Financing Activities:		
Proceeds from capital debt	10,388,293	-
Debt issuance costs	(380,983)	-
Proceeds from sale of capital assets	-	27,405
Acquisition and construction of capital assets	(1,312,283)	(359,430)
Engineering plan check fees	126,463	-
Principal paid on capital debt	(648,324)	-
Interest paid on capital debt	(1,663,650)	-
Contributed capital	53,915	-
Repayment of loans to other governments	(63,000)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	6,500,431	(332,025)
Cash Flows from Investing Activities:		
Interest received	202,544	-
Net Cash Provided (Used) by Investing Activities	202,544	-
Net Increase (Decrease) in Cash and Cash Equivalents	14,664,262	1,148,984
Cash and Cash Equivalents, Beginning of year	9,914,352	41,812,276
Cash and Cash Equivalents, End of year	\$ 24,578,614	\$ 42,961,260
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:		
Operating Income (Loss)	\$ 6,972,643	\$ 1,185,096
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	1,007,081	1,155,180
(Increase) decrease in accounts receivable	(92,303)	(11)
(Increase) decrease in prepaid costs	500	(11,069)
(Increase) decrease in deferred outflows of resources related to pension	(228,971)	-
(Increase) decrease in inventory	(53,915)	(19,149)
Increase (decrease) in accounts payable	1,228,043	(14,400)
Increase (decrease) in unearned revenue	(5,916)	-
Increase (decrease) in deposits payable	(164,767)	-
Increase (decrease) in self-insurance payable	-	(256,340)
Increase (decrease) in advance from other funds	(953,525)	-
Increase (decrease) in net pension liability	143,926	-
Increase (decrease) in compensated absences	108,491	72,549
Total adjustments	988,644	926,760
Net Cash Provided (Used) by Operating Activities	\$ 7,961,287	\$ 2,111,856
Noncash Capital and Related Financing Activities:		
Contributed capital - donated infrastructure	\$ (1,832,358)	-

See notes to Financial Statements

City of Moreno Valley, California**FIDUCIARY FUNDS****FIDUCIARY FUNDS:**

A fiduciary fund is an account with funds from assets that the city holds as a trustee and that it cannot use to fund its own programs. The city reports Agency Funds and Private-purpose Funds. Agency funds are used to report resources held by the agency in a purely custodial capacity. Agency funds typically involve only the receipt, temporary investment and remittance of fiduciary resources to individuals, private organizations or other governments. Private-purpose trust funds report all other trust arrangements under which the principal and income benefits individuals, private organizations or other governments.

City of Moreno Valley, California
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

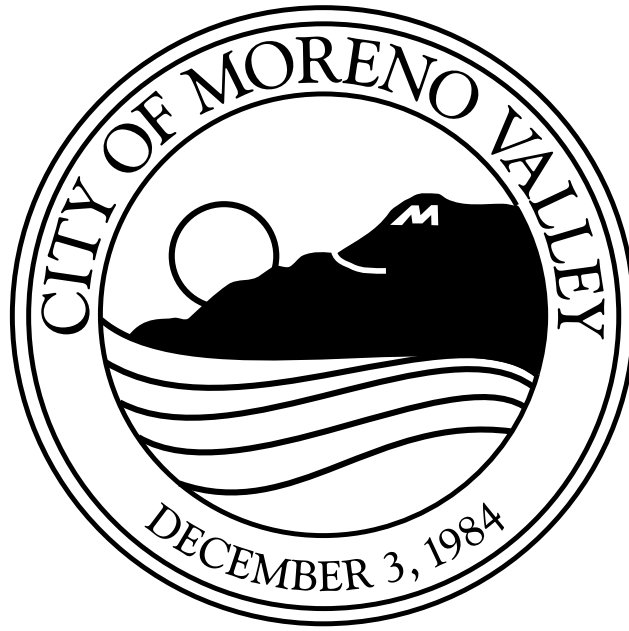
	Agency Funds	Private- Purpose Trust Fund Successor Agency of the Former RDA
Assets:		
Cash	\$ 6,322,420	\$ 3,235,375
Cash with fiscal agents	793,858	8
Total Assets	\$ 7,116,278	3,235,383
 Liabilities:		
Accounts payable	1,584,289	254,209
Accrued interest	-	835,420
Deposits payable	4,512,822	-
Payable to trustee	1,014,900	-
Due to the City of Moreno Valley	4,267	-
Long-term debt, due within one year	-	1,008,000
Long-term debt, due in more than one year	-	55,147,341
Total Liabilities	\$ 7,116,278	57,244,970
 Net Position:		
Held in trust for other purposes		(54,009,587)
Total Net Position		\$ (54,009,587)

See notes to Financial Statements

City of Moreno Valley, California
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2016

	Private- Purpose Trust Fund
	Successor Agency of the Former RDA
Additions:	
Taxes	\$ 5,877,243
Use of money and property	792
Total Additions	5,878,035
Deductions:	
Administrative expenses	272,522
Contractual services	514,517
Interest expenses	2,649,500
Contributions to City	1,321,487
Total Deductions	4,758,026
Change in net position	1,120,009
Net Position - Beginning of year	(55,129,596)
Net Position - End of year	\$ (54,009,587)

See notes to Financial Statements



City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2016**

Note 1 Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

The City of Moreno Valley, California (the City), is located in the County of Riverside and was incorporated on December 3, 1984 under the general laws of the State of California. The City operates under an elected Council/City Manager form of government. The City's major operations include police and fire protection, public works, parks, recreation and certain social services and general administration services.

Reporting Entity

Accounting principles generally accepted in the United States of America require that these financial statements represent the City of Moreno Valley and its component units. A component unit is included in the primary government's financial statements if the governing body is substantively the same as that of the City or if the component unit provides services or other benefits almost entirely to the primary government. The component units discussed below are legally separate component units however are included in the City's reporting entity because of their operational significance or financial relationships with the City. The City Council members, in separate session, serve as the governing board of the Moreno Valley Community Service District, the Moreno Valley Public Facilities Financing Corporation, and the Moreno Valley Housing Authority, as such, these entities are presented on a blended basis. The component units have the same fiscal year end as the City.

- The Moreno Valley Community Services District (the District) was established pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. Its purpose is to finance the acquisition and construction of certain major public capital infrastructure and improvements within the boundaries of the Community Facilities Districts. Separate financial statements for the District are available from the City Clerk.
- Community Facilities District 2014-01 and Community Facilities District No. 87-1 and 87-1, IA#1 (Towngate) were established pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. Their purpose is to finance the acquisition and construction of certain major public capital infrastructure and improvements within the boundaries of the Community Facilities Districts and they are governed by City Council. Separate financial statements are not available for the Community Facilities Districts.
- The Moreno Valley Public Facilities Financing Corporation (MVPFFC) and the Moreno Valley Public Financing Authority (MVPFA) are nonprofit public benefit corporations, formed for the purpose of providing public facility financing to the City. The Corporations' Boards of Directors are each composed of the five elected City Council members. Both Corporations may acquire, construct, rehabilitate, remodel, improve, install and finance or lease various facilities, land and equipment for the benefit of the City. Separate financial statements are not available for the Public Facilities Financing Corporation and the Public Financing Authority.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

- The Moreno Valley Housing Authority (the Housing Authority) was established pursuant to State law section 34240 of the California Health and Safety Code, which allows for every City to establish a housing authority. The Housing Authority is designed to protect local housing funds and programs, provide new revenue opportunities for affordable housing programs, serve the public interest, promote public safety and welfare, and ensure decent, safe, sanitary and affordable housing accommodations to persons of low income. The City of Moreno Valley City Council serves as the Housing Authority's Commissioners. The City manages, administers and has operational responsibility for the operations of the Housing Authority. Separate financial statements are not available for the Housing Authority.

The accounting policies of the City of Moreno Valley conform with generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are included in the program expense reported for individual functions and activities. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

c. Measurement Focus, Basis of Accounting and Financial Statements Presentation

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting assets and liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, while grant and sales tax revenues have an availability period of 120 days.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and as such have been recognized as revenue in the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

The CSD Zones Special Revenue Fund accounts for restricted property taxes for the various Community Services District (CSD) programs. There are ten zones within the Community Services District providing services. Zone A-Parks and Community Services provide citywide park maintenance and recreation programming. Lighting Maintenance District (LMD) 2014-01 – Residential Street Lighting provides the funding for the operation and maintenance of residential subdivision street lighting. Zone C-Arterial and Intersection Street Lighting provides funding for the operation and maintenance of arterial and intersection street lighting. Landscape Maintenance District (LMD) 2014-02, Zone D and Zone E provide funding for the maintenance of public landscaping throughout the City. Zone L-Library Services provides funding for library services to City residents. Zone M-Medians provides funding for the landscape maintenance of public medians within the City. Community Facilities District (CFD) #1 provides funding for the maintenance of new parks, trails and class 1 bikeways. Zone S – Sunnymead Boulevard Maintenance provides funding for the maintenance of certain landscape improvements along Sunnymead Boulevard.

The Development Impact Fees Special Revenue Fund accounts for the restricted fees collected to provide funding for capital improvements related to the impact of development on various City services. The City collects fees for the following: arterial streets, traffic signals, fire facilities, police facilities, parkland facilities, Quimby in-lieu of parks, recreation facilities, library facilities, city hall facilities, corporate yard facilities, interchange improvements, maintenance equipment, animal shelter facilities, and administrative fees. The City has elected to report this fund as a major fund.

The Housing Authority accounts for the housing assets as a result of the dissolution of the former Community Redevelopment Agency of the City.

The Neighborhood Stabilization Grant Fund is used to account for the grant allocation received by the City from HUD to address the foreclosure crisis and implement a neighborhood stabilization program (NSP) aimed at assisting low-to-moderate-income households, while targeting the areas of the City most affected by the foreclosures.

The Facility Construction Fund is used to account for City facility related capital projects.

The City reports the following major business-type fund:

The Electric Fund accounts for the operations of the City electric utility, with its basic purpose to purchase and distribute electricity to customers in the City's newly developed areas under the "Greenfield" concept. The City began serving its first customers in February 2004.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

Additionally the government reports the following fund types:

Internal Service Funds account for financial transactions related to repair, replacement and maintenance of City-owned equipment, the City's self-insurance programs and the City's general information systems and telecommunications hardware and software. These services are provided to other departments or agencies of the City on a cost reimbursement basis.

The Agency Funds are used to report resources held by the City in a purely custodial capacity, which includes assets held on behalf of customers and trustees for the Assessment Districts, TUMF and MSHCP Trust funds.

The Private-Purpose Trust Fund accounts for the assets and liabilities of the former redevelopment agency and its allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charge between the government's proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicant for goods, services or privileges provided, 2) operating grants and contributions, an 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Internal Service Funds are charges to other departments or agencies for sales and services. Operating expenses for Internal Service Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

d. Assets, Liabilities, Deferred Inflows and Net Position or Equity

Deposits, Investments, Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the City, as well as for its component units, are reported at fair value except for investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates. The City's policy is generally to hold investments until maturity or until fair values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles.

Inventory and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventory consists of expendable supplies held for consumption.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The fund balances in the governmental fund types have been set aside as nonspendable for amounts equal to the prepaid items in the fund-level statements, since these amounts are not available for appropriation.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	5 - 50
Furniture and Equipment	3 - 15
Vehicles	3 - 10
Infrastructure	25 - 50

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position and governmental balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Unavailable revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. The amount is deferred and recognized as an inflow of resources in the period when the amount becomes available.

Unearned Revenue

The City reports unearned revenue in the fund-level statements and in the statement of net position. Unearned revenue arises when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused annual leave benefits. The City records the annual leave liability using benefits earned by employees at the balance sheet date that will result in termination payments rather than compensated absences. The City records the annual leave liability using the dollar value of employees' rights to receive compensation attributable to services already rendered.

Long-Term Obligations

In the government-wide financial statements, and proprietary and fiduciary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Land Held for Resale

Land purchased for the purposes of resale is recorded at cost or, if lower, the estimated net realizable value upon entering into an agreement to sell the property.

Fund Balance

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws or regulations of other governments, or (b) by law through constitutional provisions or enabling legislation.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution by the City Council.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Financial and Management Services Director is authorized to assign amounts to a specific purpose, which was established by the governing body in a resolution.

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes. General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

An individual governmental fund could include non-spendable resources and amounts that are restricted, committed, assigned, or unassigned or any combination of those classifications. Restricted amounts are to be considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 1 Organization and Summary of Significant Accounting Policies (Continued)

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Secured property taxes are payable in two installments with December 10 the last day to pay the first installment of secured property taxes without penalty, and April 10 the last day to pay the second installment of secured property taxes without penalty. Unsecured personal property taxes are due in a single installment on August 31. The County of Riverside bills and collects the property taxes and remits them to the City in installments during the year.

Property taxes received within 60 days after the City's fiscal year end are considered "measurable" and "available" and are accrued in the City's financial statements.

Implementation of New Accounting Pronouncements

During the fiscal year ended June 30, 2016, the City adopted the following new Statements of the Governmental Accounting Standards Board (GASB):

- GASB Statement No. 72, *Fair Value Measurements and Applications*. This statement provides guidance for determining a fair value measurement for financial reporting purposes and for applying fair value to certain investments and disclosures related to all fair value measurements. The implementation of this statement did not have a significant impact on the City's financial statements for the fiscal year ended June 30, 2016.
- GASB Statement No. 76, *the Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. The implementation of this statement did not materially impact the City's financial statements for the fiscal year ended June 30, 2016.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 2 Stewardship, Compliance and Accountability

a. Budget Information

Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for all governmental fund types. The budget is prepared on a GAAP (Generally Accepted Accounting Principles) basis.

From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various City departments.

The City Council may amend the budget only during a regular meeting, providing that sufficient monies are available and that expenditures of proceeds of taxes will not be increased beyond the constitutional appropriation limit as imposed by Article XIII B of the State Constitution.

The City's formal budgetary process begins at the operating program level. Departmental budgets are comprised of the various operating program budgets. Operating programs do not cross departmental lines. Individual fund budgets consist of the departmental budgets; departmental budgets may cross fund lines.

Individual fund budgets are, in all cases where appropriations are required, the same as the appropriation amounts. In the case of the Governmental Fund types, unexpended budgeted amounts, except for amounts relating to capital projects, lapse at the end of the budget year. Spending control (legal level) for most funds is established by the amount of expenditures budgeted at the departmental and fund levels. Accordingly, the General Fund expenditures are displayed in the supplementary schedules at the department level and the Special Revenue, Debt Service and Capital Projects Funds expenditures are displayed at the function level. Management control is exercised at the line item level in each operating program. Management can transfer budgeted amounts between operating programs, departments or funds, provided that such transfers do not increase the overall budget. Appropriations that increase the budget require City Council approval.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 2 Stewardship, Compliance and Accountability (Continued)

b. Excess Expenditures Over Appropriations

Excess of expenditures over appropriations in departments of individual funds are as follows:

	Final Budget	Expenditures	Excess
General Fund			
Non-departmental	\$ 574,000	\$ 1,975,211	\$ 1,401,211
State Gasoline Tax			
Capital outlay	-	36,450	36,450
Other Grants			
Capital outlay	-	167,928	167,928
Public Education Government Access			
Capital outlay	-	5,820	5,820
Used Oil Recycling			
Public works	51,525	51,803	278
ASES Program Grant			
Community and cultural	6,733,300	6,735,844	2,544
TRIP COP 13A			
Public works	7,000	12,254	5,254
2013 Refunding 2005 Lease Revenue Bonds			
Public works	3,300	3,848	548
2014 Refunding 2005 Lease Revenue Bonds			
General government	3,300	5,186	1,886
Interest and fiscal charges	1,007,000	1,009,869	2,869
Equestrian Trail Endowment			
Community and cultural	200	510	310

City of Moreno Valley, California

**Notes to Financial Statements
Year Ended June 30, 2016 (Continued)**

Note 3 Cash and Investments

As of June 30, 2016, cash and investments were reported in the accompanying financial statements as follows:

Governmental Activities	\$ 160,395,932
Business-Type Activities	24,578,614
Fiduciary Funds	10,351,661
Total Cash and Investments	<u>\$ 195,326,207</u>

Cash and investments as of June 30, 2016, consist of the following:

Cash and Cash Equivalents	
Petty cash and cash boxes	\$ 10,830
Demand deposits	1,339,940
Investments	178,213,240
Cash and Investments with fiscal agents	<u>15,762,197</u>
Total Cash and Investments	<u>\$ 195,326,207</u>

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on monthly cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

Deposits

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors.

Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local government agency. Accordingly, all collateral held by the California Agents of Depository are considered to be held for, and in the name of, the local government agency.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 3 Cash and Investments (Continued)

Investments

Under provisions of the City's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- U.S. Treasury Bills, Notes and Bonds
- Government Sponsored Enterprises (GSE's) or U.S. Agencies
- California State Local Agency Investment Fund (LAIF)
- Bonds, notes or other indebtedness of the State of California
- Bonds, notes or other indebtedness of local agencies in California
- Bonds, notes or other indebtedness of supranationals (IBRD, IFC or IADB)
- Bankers Acceptances
- Commercial Paper
- Commercial Paper issued under the Temporary Liquidity Guarantee Program (TLGP)
- Time Deposits and Non-negotiable Certificates of Deposit
- Negotiable Certificates of Deposit
- Repurchase Agreements
- Corporate Obligations (Medium-term Notes)
- Corporate Obligations (Medium-term Notes) issued under the Temporary Liquidity
- Guarantee Program (TLGP)
- Mutual Funds and Money Market Accounts
- Other Government Sponsored Investment Pools

Investments Authorized by Debt Agreements

The above investments do not address the investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 3 **Cash and Investments (Continued)**

GASB Statement No. 31

The City adopted GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Credit Risk

The City's investment policy limits investments in medium term notes (MTN's) to those rated in the top category by two of the three largest nationally recognized rating services at the time of purchase (with split ratings, the lower rating must meet the standard). As of June 30, 2016, the City's investment in medium term notes consisted of investments with PepsiCo Inc., JP Morgan Chase, IBM Corp, Wells Fargo Bank, Costco Wholesale, Qualcomm Inc., Coca Cola Company, Bank of New York, Pfizer Inc., Praxair Inc., John Deere, Exxon/Mobil, Microsoft, State Street Bank, Chevron Corp., Intel Corp., WalMart Stores Inc., Apple Inc., U.S. Bankcorp, General Electric, Cisco Systems, Honda, Toyota, American Express and Oracle. At June 30, 2016, all MTN's were rated "A" or higher by Moody's. All securities were investment grade and legal under State and City law at their time of purchase. Federal agency securities are rated AA+. Investments in U.S. Treasury securities are not considered to have credit risk and, therefore, their credit quality is not disclosed. As of June 30, 2016, the City's investments in external investment pools and investment agreements are unrated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The carrying amount of the City's demand deposits was \$1,339,943 at June 30, 2016. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. In accordance with the City's investment policy, all investments are held by third-party custodians for safekeeping, with the securities in the City's name. This is the lowest level of custodial credit risk exposure.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 3 Cash and Investments (Continued)

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment portfolio will not directly invest in securities maturing in more than five years. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2016, the City had the following investments and original maturities:

Investment Type	6 months to				Fair Value
	6 months or less	1 year	1 to 3 years	3 to 5 years	
Local Agency Investment Fund	\$ 39,271,705	\$ -	\$ -	\$ -	\$ 39,271,705
Money Market Fund	276,500	-	-	-	276,500
Commercial Paper	1,675,960	-	-	-	1,675,960
Medium Term Notes	5,598,687	-	27,510,616	10,045,667	43,154,970
Supranationals	-	-	1,923,461	-	1,923,461
US Treasury Notes	-	1,248,101	22,121,495	8,203,773	31,573,369
Federal Farm Credit Bank	-	-	4,491,435	-	4,491,435
Federal Home Loan Bank	-	4,340,916	4,700,808	1,426,627	10,468,351
Federal Home Loan Mortgage Corp	-	4,068,660	8,115,119	4,458,612	16,642,391
Federal National Mortgage Association	-	3,515,132	16,325,031	8,894,935	28,735,098
Held By Bond Trustee:					
Money Market Funds	6,749,903	-	-	-	6,749,903
Local Agency Investment Fund	9,012,294	-	-	-	9,012,294
Totals	\$ 62,585,049	\$ 13,172,809	\$ 85,187,965	\$ 33,029,614	\$ 193,975,437

Concentration of Credit Risk

The City's investment policy imposes restrictions on the maximum percentage and amount that can be invested in certain types of investments. These restrictions are as follows:

Investment Type	Maturity Limit	Maximum Portfolio Percentage	Maximum Investment in One Issuer
U.S Treasury bills, notes and bonds	5 years	None	None
GSE's or U.S Agencies	5 years	None	None
California State Local Agency Investment Fund	n/a	None	None
Bonds, notes or other indebtedness of the State of California	5 years	None	None
Bonds, notes or other indebtedness of local agencies in CA	5 years	None	5%
Bankers Acceptances	180 days	40%	5%
Commercial Paper	270 days	25%	5%
Negotiable Certificates of Deposits	5 years	30%	5%
CD Placement Service	5 years	30%	5%
Repurchase Agreements	1 year	None	5%
Reverse Repurchases Agreements	92 days	20%	5%
Medium-term Notes (MTN's)	5 years	30%	5%
Mutual Funds and Money Market Accounts	n/a	20%	5%
Collateralized Bank Deposits	5 years	None	5%
Mortgage Pass-Through Securities	5 years	20%	5%
Bank/Time Deposits	5 years	None	5%
Other Governmental Sponsored Investment Pools	n/a	None	None
Supranationals	5 years	30%	5%

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 3 Cash and Investments (Continued)

As of June 30, 2016, the City is in compliance with the investment policy restriction.

In accordance with GASB Statement No. 40, if the City has invested more than 5% of its investments in any one issuer, it is exposed to credit risk. The following investments are considered exposed to credit risk:

Federal Home Loan Bank	5.40%
Federal Home Loan Mortgage Corp	8.58%
Federal National Mortgage Association	14.81%

Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this.

Fair Value Measurement

During the fiscal year ended June 30 2016, the City implemented GASB Statement No. 72, *Fair Value Measurement and Application*. GASB 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices for identical assets or liabilities in active markets that government can access at the measurement date.
- Level 2 inputs are other than quoted prices included in Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 3 Cash and Investments (Continued)

The following table represents the City's fair value hierarchy for its financial assets measured at fair value on a recurring basis:

Investments by fair value level	Fair Value	Fair value Measurement Using Significant Other Observable Inputs (Level 2)
Money Market Fund	\$ 276,500	\$ 276,500
Commercial Paper	1,675,960	1,675,960
Medium Term Notes	43,154,970	43,154,970
Supranationals	1,923,461	1,923,461
US Treasury Notes	31,573,369	31,573,369
Federal Farm Credit Bank	4,491,435	4,491,435
Federal Home Loan Bank	10,468,351	10,468,351
Federal Home Loan Mortgage Corp.	16,642,391	16,642,391
Federal National Mortgage Association	28,735,098	28,735,098
Held By Bond Trustee:		
Money Market Funds	6,749,903	6,749,903
Total	<u>145,691,438</u>	<u>\$ 145,691,438</u>
Uncategorized:		
Local Agency Investment Fund	39,271,705	
Held By Bond Trustee:		
Local Agency Investment Fund	9,012,294	
Total uncategorized	<u>48,283,999</u>	
Total investments measured at fair value	<u>\$ 193,975,437</u>	

Note 4 Notes and Loans

a. Notes and Loans Receivable

Notes and loans receivables of \$46,540,686 consist primarily of revolving home improvement loans and are due beyond one year.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 4 **Notes and Loans (Continued)**

A summary of amounts owed at June 30, 2016, follows:

	Housing Authority	Neighborhood Stabilization Grant	Nonmajor Governmental Funds	Total
Cottonwood Properties	\$ 2,924,454	\$ -	\$ 2,050,000	\$ 4,974,454
Sheila Street Rehabilitation	2,651,875	-	-	2,651,875
RHDC Properties	1,820,238	443,026	812,748	3,076,012
Coachella Valley Housing Coalition	1,639,450	-	-	1,639,450
Ability First	824,917	-	-	824,917
Bay Family Apartments	755,000	-	-	755,000
Perris Isle	413,000	-	687,000	1,100,000
Oakwood	3,000,000	-	-	3,000,000
Rancho Dorado	12,500,000	-	-	12,500,000
Hemlock Family Apartments	6,300,000	-	1,628,642	7,928,642
Others	597,146	6,989,095	504,095	8,090,336
Totals	\$ 33,426,080	\$ 7,432,121	\$ 5,682,485	\$ 46,540,686

b. Notes to Successor Agency

In prior years, the City made various loans to the former Redevelopment Agency. Upon dissolution of the Redevelopment Agency, certain loans were approved as enforceable obligations in a letter dated May 26, 2012, from the California Department of Finance and remain as a receivable in the General Fund and a liability of the Successor Agency. At June 30, 2016, the balance of \$14,805,341 consists of the following:

The Towngate Regional Mall notes (Sears Note) totaling \$11,597,136 originate from a participation agreement (as amended) whereby the Agency acquired certain parcels within the mall for subsequent transfer to major tenants. The notes bear interest at 4.9% and are payable solely from available site-generated property tax increment and up to 50% of site-generated sales tax. Payments on this agreement are determined and pre-approved by the Department of Finance. Furthermore, the Agency has covenanted to use reasonable best efforts to refinance these notes with Tax Allocation Bonds, provided such financing is determined to be fiscally feasible. At June 30, 2016, accrued interest amounts to \$3,208,205.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 5 Capital Assets

The following is a schedule of changes in governmental activities capital assets for the year ended June 30, 2016.

	Balance July 1, 2015	Additions	Deletions	Adjustments	Balance June 30, 2016
Non-Depreciable Assets:					
Land	\$ 310,197,236	\$ -	\$ -	-	\$ 310,197,236
Construction in progress	32,746,284	18,636,634	(31,889,400)	-	19,493,518
Total Non-Depreciable Assets	<u>342,943,520</u>	<u>18,636,634</u>	<u>(31,889,400)</u>	<u>-</u>	<u>329,690,754</u>
Depreciable Assets					
Buildings and improvements	137,931,320	4,133,851	-	(174,110)	141,891,061
Furniture and equipment	19,751,434	2,060,117	(2,391,902)	-	19,419,649
Vehicles	9,049,634	710,829	(501,664)	-	9,258,799
Infrastructure	804,149,960	35,867,727	-	(18,118)	839,999,569
Total Depreciable Assets	<u>970,882,348</u>	<u>42,772,524</u>	<u>(2,893,566)</u>	<u>(192,228)</u>	<u>1,010,569,078</u>
Less Accumulated Depreciation:					
Buildings and improvements	(55,681,191)	(3,827,759)	-	-	(59,508,950)
Furniture and equipment	(11,072,316)	(1,583,424)	2,022,703	-	(10,633,037)
Vehicles	(7,806,582)	(362,531)	501,664	-	(7,667,449)
Infrastructure	(332,101,799)	(24,758,869)	-	-	(356,860,668)
Total Accumulated Depreciation	<u>(406,661,888)</u>	<u>(30,532,583)</u>	<u>2,524,367</u>	<u>-</u>	<u>(434,670,104)</u>
Total Depreciable Assets, Net	<u>564,220,460</u>	<u>12,239,941</u>	<u>(369,199)</u>	<u>(192,228)</u>	<u>575,898,974</u>
Total Net Capital Assets	<u>\$ 907,163,980</u>	<u>\$ 30,876,575</u>	<u>\$ (32,258,599)</u>	<u>(192,228)</u>	<u>\$ 905,589,728</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 1,270,535
Public safety	1,116,784
Community development	238,066
Community and cultural	1,994,268
Public works	24,759,578
Internal service funds	1,153,353
Total	<u>\$ 30,532,583</u>

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 5 Capital Assets (continued)

The following is a schedule of changes in business-type activities capital assets for the year ended June 30, 2016:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Non-Depreciable Assets:				
Land	\$ 1,729,408	\$ -	\$ -	\$ 1,729,408
Construction in progress	5,013	1,404,860	-	1,409,873
Total Non-Depreciable Assets	<u>1,734,421</u>	<u>1,404,860</u>	<u>-</u>	<u>3,139,281</u>
Depreciable Assets:				
Furniture and equipment	-	625,019	-	625,019
Infrastructure	43,731,366	1,820,745	(585,000)	44,967,111
Total Depreciable Assets	<u>43,731,366</u>	<u>2,445,764</u>	<u>(585,000)</u>	<u>45,592,130</u>
Less Accumulated Depreciation:				
Furniture and equipment	-	-	(325,000)	(325,000)
Infrastructure	(7,091,350)	(1,007,081)	585,000	(7,513,431)
Total Accumulated Depreciation	<u>(7,091,350)</u>	<u>(1,007,081)</u>	<u>260,000</u>	<u>(7,838,431)</u>
Total Depreciable Assets, Net of Accumulated Depreciation	<u>36,640,016</u>	<u>1,438,683</u>	<u>(325,000)</u>	<u>37,753,699</u>
Total Net Capital Assets	<u>\$ 38,374,437</u>	<u>\$ 2,843,543</u>	<u>\$ (325,000)</u>	<u>\$ 40,892,980</u>

Depreciation expense for business-type activities was charged as follows:

Electric Utility	\$ <u>1,007,081</u>
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City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 6 Long Term Debt

a. Changes in Long-Term Debt - Governmental Activities

The following is a schedule of changes in governmental activities long-term debt for the year ended June 30, 2016:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
Towngate Community Facilities District No. 87-1:					
2007 Towngate Special Tax Refunding Bonds	\$ 6,095,000	\$ -	\$ (760,000)	\$ 5,335,000	\$ 790,000
2007 Towngate Improvement Tax Refunding	2,605,000	-	(240,000)	2,365,000	250,000
Moreno Valley Public Facilities Financing					
2011 Private Replacement Refunding, Series 1997					
Variable Rate Certificates of Participation	1,529,500	-	(753,500)	776,000	776,000
Moreno Valley Public Facilities Financing Authority:					
2011 Private Replacement Refunding, Series 1997					
Variable Rate Certificates of Participation	2,314,000	-	(252,000)	2,062,000	262,000
2013 Refunding of 2005 Lease Revenue Bonds	9,831,000	-	(1,033,000)	8,798,000	1,085,000
Unamortized premium	936,103	-	(117,013)	819,090	117,013
2014 Refunding of 2005 Lease Revenue Bonds	22,655,745	-	(53,676)	22,602,069	-
Unamortized premium	1,452,340	-	(72,279)	1,380,061	72,635
City:					
2013 Total Road Improvement Program COP's					
Unamortized discount	20,000,000	-	-	20,000,000	490,000
OPEB liability	(129,553)	-	5,400	(124,153)	5,398
Accrued self-insurance claims and judgements	1,593,000	6,000	-	1,599,000	-
Compensated absences:	2,217,000	377,900	(634,240)	1,960,660	795,000
Governmental Funds	5,184,344	3,690,260	(2,812,844)	6,061,760	3,110,606
Internal Service Funds	205,718	190,372	(117,822)	278,268	123,431
Totals	<u>\$ 76,489,197</u>	<u>\$ 4,264,532</u>	<u>\$ (6,840,974)</u>	<u>\$ 73,912,755</u>	<u>\$ 7,877,083</u>

2007 Towngate Special Tax Refunding Bonds

Towngate CFD 87-1 2007 Special Tax Refunding Bonds in the original issue of \$10,665,000 were issued in November 2007, to refund prior bonds currently outstanding, to fund a reserve for the bonds and to pay issuance costs. The bonds mature in serial fashion through December 1, 2021 and bear interest ranging from 3.50% to 5.00%. The bonds are subject to both optional and mandatory redemption prior to maturity beginning on December 1, 2017. The bonds are payable from and secured by a special tax levy against certain affected parcels within the District. Under an arrangement (Participation Agreement) involving the District, the City and the Successor Agency of the former RDA, the required tax levy may be reduced in part by the reimbursable tax increment and utility reimbursements from the Agency.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 6 Long Term Debt (Continued)

The annual debt service requirements for the 2007 Towngate Special Tax Refunding Bonds payable outstanding at June 30, 2016, are as follows:

Year Ending June 30,	2007 Towngate Special Tax Refunding Bonds	
	Principal	Interest
2017	\$ 790,000	\$ 218,431
2018	830,000	177,931
2019	870,000	136,106
2020	910,000	96,831
2021	950,000	59,631
2022	985,000	20,316
Totals	\$ 5,335,000	\$ 709,246

2007 Towngate Improvement Tax Refunding Bonds

CFD 87-1 Improvement Area No. 1 Special Tax Refunding Bonds in the original issue of \$4,075,000 were issued in November 2007, to refund prior bonds currently outstanding, to fund a reserve for the bonds and to pay issuance costs. The bonds mature in serial fashion through October 1, 2023 and bear interest ranging from 3.75% to 4.875%. The bonds are subject to both optional and mandatory redemption prior to maturity beginning on April 1, 2009. The bonds are payable from and secured by a special tax levy against certain affected parcels within the District. Under an arrangement (a Cooperation and Reimbursement Agreement) involving the District, the City and the Successor Agency of the former RDA, the required tax levy may be reduced in part by a reimbursable tax increment from the Agency to a maximum of 70.3% of required debt service.

The annual debt service requirements for the 2007 Towngate Improvement Tax Refunding Bonds payable outstanding at June 30, 2016, are as follows:

Year Ending June 30,	2007 Towngate Improvement Tax Refunding Bonds	
	Principal	Interest
2017	\$ 250,000	\$ 105,170
2018	260,000	93,851
2019	275,000	81,676
2020	290,000	68,536
2021	300,000	54,671
2022-2023	990,000	73,288
Totals	\$ 2,365,000	\$ 477,192

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 6 Long Term Debt (Continued)

2011 Private Placement Refunding, 1997 Certificates of Participation

The 2011 Private Placement Refunding of the 1997 Certificates of Participation mature in serial fashion through November 1, 2016 and bear interest of 2.92%. The original amount of the issue was \$4,343,500. The bonds are payable from lease payments made by the City under a project lease dated November 1, 1997, between the City and the Moreno Valley Public Facilities Financing Corporation. The lease payments are equal to the principal and interest on the bonds and are made by the City for the rental use of the public safety building financed by the original 1997 Certificates of Participations issue. The refinancing decreased aggregate debt service payments that were required by approximately \$65,630 and resulted in an economic gain of approximately \$25,174.

The annual debt service requirements for the 2011 Private Placement Refunding, 1997 Certificates of Participation payable outstanding at June 30, 2016, are as follows:

Year Ending June 30,	<u>2011 Private Placement Refunding, 1997 Certificates of Participation</u>	
	<u>Principal</u>	<u>Interest</u>
2017	<u>\$ 776,000</u>	<u>\$ 11,330</u>
Totals	<u>\$ 776,000</u>	<u>\$ 11,330</u>

2011 Private Placement Refunding, 1997 Lease Revenue Bonds

The 2011 Private Placement Refunding bonds mature in serial and term fashion through November 1, 2022 and bear interest ranging from 5.2% to 5.5%. The original amount of the issue was \$3,272,000. The bonds are payable from lease payments made by the City under a project lease dated November 1, 1997 between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City for the rental use of the public safety building financed by the original 1997 Lease Revenue bonds issue.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 6 Long Term Debt (Continued)

The annual debt service requirements for the 2011 Private Placement Refunding, 1997 Lease Revenue Bonds payable outstanding at June 30, 2016, are as follows:

Year Ending June 30,	2011 Private Placement Refunding 1997 Lease Revenue Bonds	
	Principal	Interest
2017	\$ 262,000	\$ 76,854
2018	273,000	66,207
2019	282,000	55,163
2020	291,000	43,760
2021	305,000	31,900
2022-2024	649,000	26,089
Totals	\$ 2,062,000	\$ 299,973

2013 Refunding Lease Revenue Bonds

Refunding Lease Revenue Bonds 2013 in the original issue amount of \$11,695,000 were issued for the purpose of paying off a portion of the 2005 Lease Revenue Bonds and certain costs related to the issuance of the Bonds. Of the \$11,695,000 originally issued, the portion for the electric utility infrastructure (\$1,240,770) has been separated and is shown as long-term debt of the Electric Fund business-type activities. The bonds mature in serial fashion through November 1, 2032 and bear interest ranging from 3% to 5.00%. The bonds are not subject to optional redemption or mandatory redemption. The bonds are payable from lease payments made by the City under a project lease dated Dec 1, 2013, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the Public Safety Building and the City Hall. The transaction resulted in an economic gain of \$540,661 and a reduction of \$554,000 in future debt service payments.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 6 Long Term Debt (Continued)

The annual debt service requirements for the 2013 Refunding Lease Revenue Bonds, payable outstanding at June 30, 2016, are as follows:

Year Ending June 30,	2013 Refunding Lease Revenue Bonds	
	Principal	Interest
2017	\$ 1,085,000	\$ 411,946
2018	1,132,000	356,649
2019	1,183,000	298,898
2020	1,256,000	238,026
2021	1,312,000	173,920
2022-2023	2,830,000	143,039
Totals	\$ 8,798,000	\$ 1,622,478

2013 Total Road Improvement Program Certificates of Participation

On August 15, 2013, the City entered into an Installment Sale Agreement with California Communities. The 2013 Total Road Improvement Program Certificates of Participation mature in serial and term fashion through June 1, 2039 and bear interest ranging from 4.000% to 5.125%, commencing on December 1, 2013. The original amount of the issue was \$20,000,000. This issue is fully insured in the event of nonpayment by the City.

The annual debt service requirements for the 2013 Total Road Improvement Program COPs payable outstanding at June 30, 2016, are as follows:

Year Ending June 30,	2013 Total Road Improvement Program Certificates of Participation	
	Principal	Interest
2017	\$ 490,000	\$ 991,313
2018	515,000	966,813
2019	540,000	941,063
2020	570,000	914,063
2021	600,000	885,563
2022-2026	3,435,000	3,984,819
2027-2031	4,300,000	3,116,894
2032-2036	5,510,000	1,910,600
2037-2039	4,040,000	421,019
Totals	\$ 20,000,000	\$ 14,132,147

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 6 Long Term Debt (Continued)

2014 Refunding Lease Revenue Bonds

Refunding Lease Revenue Bonds 2014 in the original issue amount of \$25,325,000 were issued for the purpose of paying off a portion of the 2005 Lease Revenue Bonds and certain costs related to the issuance of the Bonds. Of the \$25,325,000 originally issued, the portion for the electric utility infrastructure (\$2,669,255) has been separated and is shown as long-term debt of the Electric Fund business-type activities. The bonds mature in serial fashion through November 1, 2035 and bear interest ranging from 2% to 5%. The bonds are subject to optional redemption and are subject to mandatory redemption beginning November 2035. The bonds are payable from lease payments made by the City under a project lease dated December 1, 2013, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the Public Safety Building and the City Hall. The refunding transaction resulted in an economic gain of \$4,180,553 and a reduction of \$6,604,104 in future debt service payments.

The annual debt service requirements for the 2014 Refunding Lease Revenue Bonds, payable outstanding at June 30, 2016, are as follows:

<u>2014 Refunding Lease Revenue Bonds</u>		
Year Ending June 30,	Principal	Interest
2017	\$ -	\$ 1,009,332
2018	-	1,009,332
2019	-	1,009,332
2020	-	1,009,332
2021	-	1,009,332
2022-2026	4,079,376	4,747,195
2027-2031	8,266,104	3,043,586
2032-2036	10,256,589	1,057,865
Totals	<u>\$ 22,602,069</u>	<u>\$ 13,895,306</u>

Compensated Absences

At June 30, 2016, the amount of compensated absences liability was \$6,340,028. This amount consists of \$6,061,760 for governmental funds, principally paid by the General Fund, and \$278,268 for internal service funds.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 6 Long Term Debt (Continued)

b. Changes in Long-Term Debt - Business-Type Activities

The following is a schedule of changes in business-type activities long-term debt for the year ended June 30, 2016:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
Lease Revenue Bonds, 2007	\$ 23,120,000	-	\$ (520,000)	\$ 22,600,000	\$ 550,000
Less unamortized discount	(240,792)	-	10,945	(229,847)	-
Refunding Lease Revenue Bonds, 2013	1,169,000	-	(122,000)	1,047,000	130,000
Plus unamortized premium	100,852	-	(12,606)	88,246	-
Refunding Lease Revenue Bonds, 2014	2,669,255	-	(6,324)	2,662,931	-
Plus unamortized premium	163,714	-	(7,796)	155,918	-
Lease Revenue Bonds, 2015	-	10,430,000	-	10,430,000	175,000
Less unamortized discount	-	(41,707)	1,438	(40,269)	-
Compensated absences	137,225	166,816	(58,325)	245,716	147,430
Totals	<u>\$ 27,119,254</u>	<u>\$ 10,555,109</u>	<u>\$ (714,668)</u>	<u>\$ 36,959,695</u>	<u>\$ 1,002,430</u>

Lease Revenue Bonds, 2007

Lease Revenue Bonds 2007 (Taxable) in the original issue amount of \$25,765,000 were issued for the purpose of financing a City-owned 115kV to 12kV substation, an 115kV to 12kV switchyard adjacent to the substation, and other infrastructure improvements to support planned growth of the City-owned electrical distribution system. The bonds mature in serial and term fashion through May 1, 2038 and bear interest ranging from 5.084% to 5.75%. The bonds are subject to both optional and mandatory redemption beginning May 1, 2017. The bonds are payable from lease payments made by the City under a project lease dated May 1, 2007, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the 115kV to 12kV substation. This issue is fully insured in the event of nonpayment by the City.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 6 Long Term Debt (Continued)

The annual debt service requirements for the Lease Revenue Bonds, 2007 payable outstanding at June 30, 2016, are as follows:

Year Ending June 30,	Lease Revenue Bonds, 2007	
	Principal	Interest
2017	\$ 550,000	\$ 1,280,893
2018	575,000	1,252,931
2019	610,000	1,221,024
2020	640,000	1,187,175
2021	680,000	1,151,661
2022-2026	3,995,000	5,150,414
2027-2031	5,245,000	3,899,208
2032-2036	6,940,000	2,209,150
2037-2038	3,365,000	292,963
Totals	<u>\$22,600,000</u>	<u>\$ 17,645,419</u>

2013 Refunding Lease Revenue Bonds

Refunding Lease Revenue Bonds 2013 in the original issue amount of \$11,695,000 were issued for the purpose of paying off a portion of the 2005 Lease Revenue Bonds and certain costs related to the issuance of the Bonds. Of the \$11,695,000 originally issued, the portion for the electric utility infrastructure (\$1,240,770) has been separated and is shown as long-term debt for Electric Fund business-type activities. The bonds mature in serial fashion through November 1, 2032 and bear interest ranging from 3% to 5.00%. The bonds are not subject optional redemption but are subject to mandatory redemption beginning November 1, 2014. The bonds are payable from lease payments made by the City under a project lease dated May 1, 1997, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the Public Safety Building and the City Hall. The refunding transaction resulted in an economic gain of \$540,667 (\$58,446 attributable to the electric fund) and a reduction of \$554,000 (\$59,887 attributable to the electric fund) in the future debt service payments.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 6 Long Term Debt (Continued)

The annual debt service requirements for the 2013 Refunding Lease Revenue Bonds, payable outstanding at June 30, 2016, are as follows

<u>2013 Refunding Lease Revenue Bonds</u>		
Year Ending June 30,	Principal	Interest
2017	\$ 130,000	\$ 49,929
2018	133,000	43,226
2019	142,000	36,227
2020	149,000	28,850
2021	158,000	21,080
2022-2023	335,000	17,335
Totals	<u>\$ 1,047,000</u>	<u>\$ 196,647</u>

2014 Refunding Lease Revenue Bonds

Refunding Lease Revenue Bonds 2014 in the original issue amount of \$25,325,000 were issued for the purpose of paying off the remaining portion of the 2005 Lease Revenue Bonds and certain costs related to the issuance of the Bonds. Of the \$25,325,000 originally issued, the portion for the electric utility infrastructure (\$2,669,255) has been separated and is shown as long-term debt for Electric Fund business-type activities. The bonds mature in serial fashion between November 2023 and November 2035 and bear interest ranging from 2% to 5%. The bonds are not subject to optional redemption but are subject to mandatory redemption beginning 2035. The bonds are payable from lease payments made by the City under a project lease dated December 1, 2013, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the Public Safety Building and the City Hall, Sunnymead Park and Fire Station 99 (Morrison Park). The transaction resulted in an economic gain of \$4,180,553 (\$440,650 attributable to the electric fund) and a reduction of \$6,604,104 (\$696,043 attributable to the electric fund) in future debt service payments.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 6 Long Term Debt (Continued)

The annual debt service requirements for the 2014 Refunding Lease Revenue Bonds payable outstanding at June 30, 2016 are as follows:

Year Ending June 30,	2014 Refunding Lease Revenue Bonds	
	Principal	Interest
2017	\$ -	118,918
2018	-	118,918
2019	-	118,918
2020	-	118,918
2021	-	118,918
2022-2026	480,624	559,305
2027-2031	973,896	358,589
2032-2036	1,208,411	124,636
Totals	\$ 2,662,931	\$ 1,637,120

Lease Revenue Bonds, 2015

Lease Revenue Bonds 2015 (Taxable) in the original issue amount of \$10,430,000 were issued for the purpose of financing certain capital improvements of the City including installation of new electrical substation and associated feeders. The bonds mature in serial and term fashion through November 1, 2045 and bear interest ranging from 4.75% to 5.00%. The bonds are payable from base rental payments made by the City pursuant to a master facilities sublease dated December 1, 2015, between the City and the Moreno Valley Public Financing Authority (MVPFA). The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the conference and recreation center. This issue is fully insured in the event of nonpayment by the City.

The annual debt service requirements for the 2015 Lease Revenue Bonds payable outstanding at June 30, 2016 are as follows:

Year Ending June 30,	Lease Revenue Bonds, 2015	
	Principal	Interest
2017	\$ 175,000	\$ 460,288
2018	200,000	457,444
2019	205,000	453,388
2020	210,000	448,325
2021	215,000	442,344
2022-2026	1,170,000	2,098,281
2027-2031	1,415,000	1,844,116
2032-2036	1,760,000	1,486,838
2037-2041	2,235,000	1,001,375
2042-2045	2,845,000	369,375
Totals	\$ 10,430,000	\$ 9,061,773

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 6 Long Term Debt (Continued)

Compensated Absences

At June 30, 2016, the amount of compensated absences liability totaled \$245,716. Based on the current trend of usage, \$147,430 is expected to be paid within one year.

c. Conduit Debt

The City has no conduit debt as of June 30, 2016.

d. Non-Commitment Debt

The Community Facilities District No. 5 of the City of Moreno Valley 2007 Special Tax Bonds were issued to finance various public improvements needed to develop property located within the Community Facilities District No. 5 ("District"). The original issue amount was \$5,870,000. The Bonds are special limited obligations of the District and are payable solely from revenues derived from certain annual Special Taxes to be levied on and collected from the owners of the taxable land within the District and from certain other funds pledged under the Fiscal Agent Agreement dated May 1, 2007 by and between the City for and on behalf of the District and Wells Fargo Bank, National Association, as fiscal agent.

The Special Taxes are to be levied according to the rates and method of apportionment approved by the City Council, the legislative body of the District, and the qualified electors within the District. Except for the Special Taxes, no other taxes are pledged to the payment of the Bonds. The City is in no way liable for repayment but is acting as an agent for the property owners in collecting the assessments and forwarding the collections to bondholders. Interest on the Bonds will be payable on September 1, 2007 and semiannually thereafter on each March 1 and September 1 thru 2037. Interest rates range from 4.00% to 5.00%. Principal on the Bonds is due each September 1 beginning 2009 and ending 2037. The outstanding balance at June 30, 2016, was \$5,605,000.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 7 **Interfund Receivables, Payables and Transfers**

Due From Other Funds	Due To Other Funds				Total
	CSD Zones	Neighborhood Stabilization Grant	Nonmajor Governmental Funds	Agency Funds	
General Fund	\$ 14,745	\$ 3,135,377	\$ 2,445,431	4,267	\$ 5,599,820

a. Due To/From other Funds

The City of Moreno Valley utilizes the State of California Local Agency Investment Fund (LAIF) as a short-term investment tool. In June 2006, the General Fund LAIF account reached the LAIF threshold and as an alternative for investing, the remaining funds were loaned to the CSD Zones Fund. The amount of the loans outstanding at June 30, 2016, was \$14,745.

The General Fund has made short-term loans to the following funds to eliminate negative cash balances:

Major Fund:	
Neighborhood Stabilization Grant	\$ 3,135,377
Nonmajor Governmental Funds:	
Article 3 Transportation	7,462
Law Enforcement	235,068
Other Grants	57,227
Community Development Grant	736,007
Child Care Grant	27,316
Stormwater Maintenance	56,297
ASES Pogram Grants	464,216
TUMF Capital Projects	708,942
TRIP Capital Projects	36,766
Miscellaneous Grants	116,130
Total Nonmajor Governmental Funds	\$ 5,580,808

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

a. Advances To/From Other Funds

	Advances from Other Funds
Advances to Other Funds	Development Impact Fees
General Fund	\$ 4,222,000

The General Fund loaned \$4,222,000 to the Development Impact Fees Fund to cover negative cash balances resulting from construction of facilities and purchases of land for future expansion. This loan is to be fully repaid by June 30, 2017.

b. Interfund Transfers (Continued)

Transfers Out	Transfers In						Total
	General Fund	CSD Zones	Development Impact Fees	Facility Construction	Nonmajor Governmental Funds	Internal Service Funds	
General Fund	\$ -	\$ 1,004,137	\$ -	\$ -	\$ 922,534	\$ 815,000	\$ 2,741,671
Development Impact Fees	4,552	-	-	-	3,357,645	-	3,362,197
Nonmajor Governmental Funds	-	-	1,239,184	155,000	1,089,957	-	2,484,141
Internal Service Funds	658,686	-	-	-	787,160	7,873,977	9,319,823
Total	\$ 663,238	\$ 1,004,137	\$ 1,239,184	\$ 155,000	\$ 6,157,296	\$ 8,688,977	\$ 17,907,832

The General Fund transferred a total of \$2,741,671 to several funds to provide subsidies to cover the operating deficits and to cover the cost for general benefit services.

The Development Impact Fees Fund transferred a total of \$3,357,645 to non-major governmental funds for debt service payments and to provide support for several capital projects in the fiscal year.

The Internal Service Funds transferred a total of \$7,873,977 between other Internal Service funds primarily as a result of reserve funds being transferred to the Equipment Maintenance Fund for future vehicle fleet replacements.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 8 Employee Pension Plan

a. General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City's Miscellaneous Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS), which acts as common investment and administrative agent for its participating member employers. Benefits provisions under the Plan are established by State statute and City resolution. CalPERS issues publically available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2016, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date	January 1, 2013	January 1, 2013
Benefit formula	2.7% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-55	52-62
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.0%
Required employee contribution rates	8.00%	6.25%
Required employer contribution rates	23.959%	27.196%

Employees Covered – At June 30, 2016, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous
Active employees	331
Retired employees	271
Inactive employees	268

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 8 Employee Pension Plan (Continued)

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

b. Net Pension Liability

The City's net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plans is measured as of June 30, 2015, using an annual actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2014 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation date	June 30, 2014
Measurement date	June 30, 2015
Actuarial cost method	Entry-Age Normal Cost Method
Actuarial assumptions:	
Discount rate	7.65%
Inflation	2.75%
Payroll growth	3.00%
Projected salary increase	Varies by Entry Age and Service (1)
Investment rate of return	7.65% (2)
Mortality	Derived using CalPERS' Membership Data for all Funds

(1) Depending on age, service, and type of employment

(2) Net of pension plan investment expenses, including inflation

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 8 Employee Pension Plan (Continued)

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2014 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability was 7.65% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent is without reduction of pension plan administrative expenses and will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 8 Employee Pension Plan (Continued)

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	51%	5.25%	5.71%
Global Fixed Income	19%	0.99%	2.43%
Inflation Sensitive	6%	0.45%	3.36%
Private Equity	10%	6.83%	6.95%
Real Estate	10%	4.50%	5.13%
Infrastructure and Forestland	2%	4.50%	5.09%
Liquidity	2%	-0.55%	-1.05%
Total	<u>100%</u>		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 8 Employee Pension Plan (Continued)

c. Changes in the Net Pension Liability

The changes in the Net Pension Liability over the measurement period are as follows:

Miscellaneous Plan:	Total Pension Liability	Governmental Activities Net Pension Liability (Asset)	Enterprise Net Pension Liability (Asset)
Balance at June 30, 2014	\$ 53,821,367	\$ 52,471,997	\$ 1,349,370
Changes in the year:			
Service cost	4,122,713	3,975,936	146,777
Interest on the total pension liability	12,457,642	12,014,125	443,517
Difference between actual and expected experience	(1,159,680)	(1,118,393)	(41,287)
Changes in assumptions	(3,142,601)	(3,030,718)	(111,883)
Contribution - employer	(4,923,787)	(4,748,490)	(175,297)
Contribution - employee (paid by employer)	(1,688,857)	(1,628,730)	(60,127)
Net investment income	(2,629,698)	(2,536,077)	(93,621)
Administrative expense	132,025	127,325	4,700
Net Changes	<u>3,167,757</u>	<u>3,054,978</u>	<u>112,779</u>
Balance at June 30, 2015	<u>\$ 56,989,124</u>	<u>\$ 55,526,975</u>	<u>\$ 1,462,149</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City calculated using the discount rate for the Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>
1% Decrease	6.65%
Net pension liability	\$ 81,175,549
Current Discount Rate	7.65%
Net pension liability	\$ 56,989,124
1% Increase	8.65%
Net pension liability	\$ 37,029,628

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 8 Employee Pension Plan (Continued)

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2016, the City recognized pension expense of \$4,141,716. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 5,070,294	\$ -
Changes of assumptions	-	(2,058,945)
Differences between expected and actual experiences	-	(759,790)
Net difference between projected and actual earnings on pension plan	<u>4,824,682</u>	<u>(5,831,643)</u>
	<u>\$ 9,894,976</u>	<u>\$ (8,650,378)</u>

\$ 5,070,294 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>	
2016	\$ (2,221,257)
2017	(2,072,900)
2018	(737,711)
2019	1,206,172
2020	-
Thereafter	-

As of June 30, 2016, the City did not have outstanding amount of contributions to the pension plan required for the year ended June 30, 2016.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 9 Other Post-Employment Benefits (OPEB)

Plan Description

The City's defined benefit postemployment healthcare plan provides a portion of certain health care for retired employees. In accordance with City policy, employees hired prior to September 30, 2011, who retire directly from the City under Cal PERS (age 50 and 5 years of Cal PERS service or disability) and are not temporary employees, are eligible for these benefits. In June 2009, the City established an irrevocable trust fund to begin funding the City's unfunded liability through the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer plan administered by California Public Employees' Retirement System (Cal PERS), which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions, as well as other requirements, are established by state statutes within the Public Employees' Retirement Law. The City selects optional benefit provisions from the benefit menu by contract with Cal PERS and adopts those benefits through local ordinance. Cal PERS issues a separate comprehensive annual financial report. Copies of the Cal PERS annual financial report may be obtained from the Cal PERS Headquarters, 400 Q Street, Sacramento, California 95811.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by City Council. The City is required to contribute the Annual Required Contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The current ARC rate is 5.00% of the annual covered payroll.

Annual OPEB Cost

For fiscal year 2015-2016, the City's annual OPEB cost was \$910,000. The required contribution for the fiscal year was determined as part of the June 30, 2015 actuarial valuation using the entry age normal cost method. The actuarial assumptions included:

- a) 6.00% investment rate of return (net of administrative expenses),
- b) projected salary increases for employees of 3.25%, and
- c) an annual healthcare cost increase of 4.5%.

Both a) and b) include an inflation component of 3.00%. The amortization method is the level percent of payroll.

The amortization period is a 30 year fixed (closed) period for the initial unfunded accrued actuarial liability with 22 years remaining as of June 30, 2016.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 9 **Other Post-Employment Benefits (OPEB) (continued)**

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for these benefits:

Annual required contribution	\$ 904,000
Interest on OPEB obligation	115,000
Adjustment to annual required contribution	<u>(109,000)</u>
Annual OPEB cost (expense)	910,000
Contribution made	<u>(904,000)</u>
Increase on OPEB obligation	6,000
Net OPEB obligation - beginning of year	<u>1,593,000</u>
Net OPEB obligation - end of year	<u><u>\$ 1,599,000</u></u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information on the next page, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing the benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 9 Other Post-Employment Benefits (OPEB) (continued)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for last three fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost (AOC)	Percentage of OPEB Cost Contributed	Net OPEB Obligation
6/30/2014	\$ 1,066,000	58%	\$ 1,347,000
6/30/2015	910,000	73%	1,593,000
6/30/2016	910,000	99%	1,599,000

Required Supplementary Information – Funded Status of Plan
Latest Information Available

Valuation Date	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio	Annual Covered Payroll	UAAL as Percent of Payroll
6/30/2013	\$ 12,531,000	\$ 6,186,000	\$ 6,345,000	49.4%	\$ 21,589,000	29.4%
6/30/2015	18,148,000	7,805,000	10,343,000	43.0%	17,919,000	57.7%

Note 10 Fund Deficits

The following fund contained a deficit fund balance as of June 30, 2016:

<u>Nonmajor Governmental Funds:</u>	
<u>Capital Fund Projects:</u>	
TUMF Capital Projects	\$ 122,130

This deficit fund balance is a result of reimbursement monies not yet received and will be funded through future revenues.

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 11 **Commitments and Contingencies**

a. Community Facilities District No. 87-1 Agreement

In connection with the issuance of the Community Facilities District No. 87-1 (CFD) Towngate 2007 Special Tax Refunding Bonds, the former Community Redevelopment Agency entered into an owner participation agreement whereby the Agency has committed tax increment for the payment of debt service requirements for these Bonds.

b. Construction Commitments

The following material construction commitments existed at June 30, 2016:

Project Name	Contract Amount	Expenditures to date as of 6/30/2016	Remaining Commitments
<u>Governmental Activities</u>			
Perris Blvd/Ironwood-Manzanita	\$ 5,217,720	\$ 5,096,936	\$ 120,784
Nason St./Cactus Ave to Fir Ave.	8,748,971	7,945,321	803,650
SR-60/Nason Overcrossin Bridge	14,991,322	14,911,824	79,498
Corporate Yard	3,244,512	2,102,413	1,142,099

Electric Utility

No commitments at June 30, 2016

c. Litigation

There are several lawsuits pending against the City. The outcome and eventual liability of the City, if any, in these cases is not known at this time. Management estimates that the potential claims against the City, not covered by insurance or self-insurance reserves, resulting from such litigation would not materially affect the financial statements of the City.

d. Grants Review

The City has received local, state and federal funds for specific purposes that are subject to review and audit by the contracting agencies. Although such audits could generate expense disallowances under terms of the grants or contracts, it is believed that any required reimbursements will not be material.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 12 Self-Insurance

The City is a member of CSAC Excess Insurance Authority. The Authority is a member directed joint powers insurance pool, which has been operational since October of 1979. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other coverage.

The City participates in the excess workers' compensation and employer's liability programs of the Authority. For workers' compensation, the City has a self-insured retention of \$300,000 per occurrence. For employer's liability, the City has a self-insured retention of \$250,000 per occurrence. The City has a pooled retention of \$5,000,000 each occurrence, a \$45,000,000 reinsurance layer in excess of the \$5,000,000 pooled retention per occurrence for workers' compensation claims, and a \$5,000,000 employer's liability reinsurance layer per occurrence in excess of the \$5,000,000 pooled retention. During the past three fiscal years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There has been no significant reduction in pooled or insured liability coverage from coverage in the prior year.

Self-Insurance Payable

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and injuries to employees. The City established two self-insurance funds (Internal Service Funds) to account for and finance its uninsured risks of loss. Under this program, the self-insurance funds provide coverage for up to a maximum of \$300,000 for each workers' compensation claim and \$250,000 for each general liability claim. The City purchases commercial insurance for claims in excess of coverage provided by the funds and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. All funds of the City participate in the program and make payments to the self-insurance funds based on actuarial estimates of the amounts needed to pay prior and current year claims.

The fund establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The City has accrued for its anticipated liability with respect to claims filed and claims incurred but not reported to the City as of year-end. The accruals are in the amounts of \$1,353,000 and \$607,660 for the workers' compensation claims and general liability claims, respectively, for a total of \$1,960,660. Of these amounts, the current year's adjustment is a decrease of \$256,340.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 12 Self-Insurance (Continued)

A reconciliation of changes in aggregate liabilities for claims for the current fiscal year and the prior fiscal year is as follows:

	General Liability	Workers; Compensation	Total
Amounts of accrued claims at June 30, 2014	\$ 671,000	\$ 1,423,000	\$ 2,094,000
Incurred claims, representing the total of a provision for events for the current fiscal year and any changes (increase or decrease) in the provision for events of prior fiscal years and adjustments to estimates.	359,000	436,000	795,000
Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	<u>(183,000)</u>	<u>(489,000)</u>	<u>(672,000)</u>
Amount of accrued claims at June 30, 2015	<u>847,000</u>	<u>1,370,000</u>	<u>2,217,000</u>
Incurred claims, representing the total of a provision for events for the current fiscal year and any changes (increase or decrease) in the provision for events of prior fiscal years and adjustments to estimates.	<u>(44,100)</u>	<u>422,000</u>	<u>377,900</u>
Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	<u>(195,240)</u>	<u>(439,000)</u>	<u>(634,240)</u>
Amount of accrued claims at June 30, 2016	<u>\$ 607,660</u>	<u>\$ 1,353,000</u>	<u>\$ 1,960,660</u>

Note 13 Successor Agency Trust for Assets of the Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill X1 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Moreno Valley that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 2012-04.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 13 **Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)**

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The City acts as the Successor Agency for the former redevelopment agency and accounts for its activities in a private purpose trust fund.

Cash and Investments

Cash and investments of the Successor Agency reported in the accompanying financial statements consisted of the following:

Cash and investments	\$ 3,235,375
Cash and investments with fiscal agent	8
	<u>\$ 3,235,383</u>

The Successor Agency’s cash and investments are pooled with the City’s cash and investments in order to generate optimum interest income. The share of the pooled cash account is separately accounted for, and investment income is allocated to all participating funds based on the relationship of their average daily cash balances to the total of the pooled cash and investments. Information regarding the authorized types of deposits and investments, the type of risks (i.e. credit, interest rate, custodial, etc.) and other disclosures associated with the City’s pooled cash and investments is reported in Note 3.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 13 **Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)**

Long-Term Debt

A description of long-term debt outstanding of the Successor Agency as of June 30, 2016, follows:

	Balance July 1, 2015	Additions	Repayments	Balance June 30, 2016	Due Within One Year
Fiduciary Activities					
City loans - principal	\$12,192,276	\$ -	\$ (595,140)	\$11,597,136	\$ 595,140
City loans - interest	3,376,068	-	(167,860)	3,208,205	167,860
Notes payable, Price Company	166,043	-	(166,043)	-	-
2007 TABs, Series A	41,585,000	-	(235,000)	41,350,000	245,000
Totals	<u>\$57,319,387</u>	<u>\$ -</u>	<u>\$(1,164,043)</u>	<u>\$56,155,341</u>	<u>\$ 1,008,000</u>

Loans Payable to the City of Moreno Valley

The Towngate Regional Mall notes (Sears Note), totaling \$13,000,000, originated from a participation agreement (as amended) whereby the Agency acquired certain parcels within the mall for subsequent transfer to major tenants. The notes bear interest of 4.9% and are payable solely from available site-generated property tax increment and up to 50% of site-generated sales tax. Furthermore, the Agency had covenanted to use reasonable best efforts to refinance these notes with Tax Allocation Bonds, provided such financing is determined to be fiscally feasible. During 2003-2004, the City purchased the rights to the notes from the holder.

In a letter dated May 26, 2012, the California Department of Finance approved this loan as an enforceable obligation. At June 30, 2016, the outstanding principal and accrued interest balances are \$11,597,136 and \$3,208,208, respectively.

Note Payable - Price Company

The former Redevelopment Agency had recorded a long-term payable in the original amount of \$2,433,744 under a development and disposition agreement and promissory note with Price Company for the reimbursement of costs of construction of a 130,000-square-foot retail store. The note bears interest at 8% per annum and is payable from property tax equal to 50% of site-generated sales tax. As of June 30, 2016, the outstanding balance was paid in full.

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 13 **Successor Agency Trust for Assets of the Former Redevelopment Agency
(Continued)**

2007 Tax Allocation Bonds Series A

The former Redevelopment Agency 2007 Tax Allocation Bonds, Series A, in the original issue amount of \$43,495,000 were issued in November 2007 for the purpose of financing various redevelopment activities and other undertakings permitted under the Redevelopment Law, to fund a reserve for the bonds and to pay issuance costs. The bonds mature in serial and term fashion through August 1, 2038 and bear interest ranging from 3.5% to 5.0%. The bonds are subject to both optional and mandatory redemption prior to maturity beginning on August 1, 2017. The bonds are payable solely from Tax Increment Revenues and other funds and amounts pledged therefore pursuant to the Indenture. This issue is fully insured in the event of nonpayment by the Agency.

The annual debt service requirements for the 2007 Tax Allocation Bonds Series A payable outstanding at June 30, 2016, are as follows:

Year Ending June 30,	2007 Tax Allocation Bonds Series A	
	Principal	Interest
2017	\$ 245,000	\$ 2,000,109
2018	250,000	1,990,209
2019	260,000	1,980,009
2020	265,000	1,969,509
2021	270,000	1,958,640
2022-2026	6,415,000	9,204,840
2027-2031	10,040,000	7,187,818
2032-2036	13,655,000	4,261,125
2037-2038	9,950,000	762,500
Totals	<u>\$ 41,350,000</u>	<u>\$ 31,314,759</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 13 **Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)**

Pledged Revenue

The former Redevelopment Agency pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill X1 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$72,664,759 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$5,877,243 and the debt service obligation on the bonds was \$2,244,121.

a. Insurance

The Successor Agency is covered under the City of Moreno Valley's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 12.

b. Commitments and Contingencies

Litigation

At June 30, 2016, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

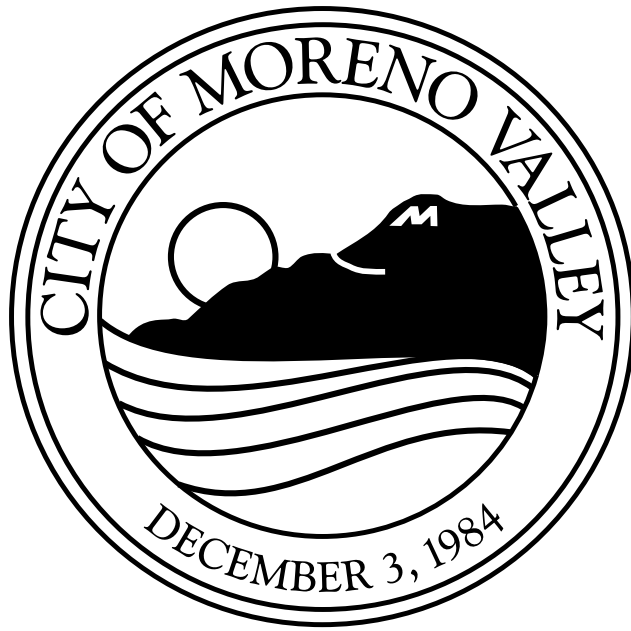
City of Moreno Valley, California
Notes to Financial Statements
Year Ended June 30, 2016 (Continued)

Note 14 Subsequent Events

The City has evaluated events subsequent to June 30, 2016 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 6, 2016, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

On August 25, 2016 the Community Facilities District No. 7 of the City of Moreno Valley issued bonds in the amount of \$3,265,000. These bonds mature September 1, 2047 and bear a total interest cost of 3.31%. These bonds were issued in order to reimburse the developer for the cost of certain site improvements and will be repaid from a special tax assessment levied on the parcels. This debt is not the responsibility of the City but the City has agreed to act as the administrator for the collection of the special tax and the transfer of special tax funds to the trustee for the payment of debt service.

The City is in the process of issuing bonds totaling approximately \$24,475,000 with the purpose of refunding the outstanding balance of the 2007 Lease Revenue Bonds (Taxable). In 2007 the City issued bonds in the amount of \$25,765,000 to construct various facilities related to the Moreno Valley Utility. As of June 30, 2016 the remaining outstanding balance totaled \$22.6 million. The issue is structured as an advanced refunding issue with the bond proceeds to be held by the trustee until the first call date in May 2017. The refunding bond issuance is expected to be finalized by mid-December 2016.



City of Moreno Valley, California

Schedule of Changes in the Net Pension Liability and Related Ratios
Last Ten Years*

Last Ten Years *

	Reporting Period	
	2015	2016
Total Pension Liability		
Service cost	\$ 4,630,703	\$ 4,122,713
Interest on total pension liability	11,785,648	12,457,642
Differences between expected and actual experience	—	(1,159,680)
Changes in assumptions	—	(3,142,601)
Benefit payments, including refunds of employee contributions	(5,670,706)	(6,643,394)
Net change in total pension liability	10,745,645	5,634,680
Total pension liability - beginning of year	157,661,972	168,407,617
Total pension liability - end of year (a)	\$ 168,407,617	\$ 174,042,297
Plan Fiduciary Net Position		
Contributions - employer	\$ 4,620,745	\$ 4,923,787
Contributions - employee	1,934,518	1,688,857
Net investment income	16,911,034	2,629,698
Benefit payments	(5,670,706)	(6,643,394)
Administrative expenses	—	(132,025)
Net change in plan fiduciary net position	17,795,591	2,466,923
Plan fiduciary net position - beginning of year	96,790,659	114,586,250
Plan fiduciary net position - end of year (b)	\$ 114,586,250	\$ 117,053,173
Net pension liability - end of year (a)-(b)	\$ 53,821,367	\$ 56,989,124
Plan fiduciary net position as a percentage of the total pension liability	68.04%	67.26%
Covered - employee payroll	\$ 23,278,052	\$ 22,079,654
Net pension liability as percentage of covered-employee payroll	231.21%	258.11%

Notes to Schedule:

Benefit changes - The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumption - The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent.

* Fiscal year 2015 was the first year of implementation, therefore only two years are shown.

City of Moreno Valley, California

Schedule of Plan Contributions
Last Ten Years*

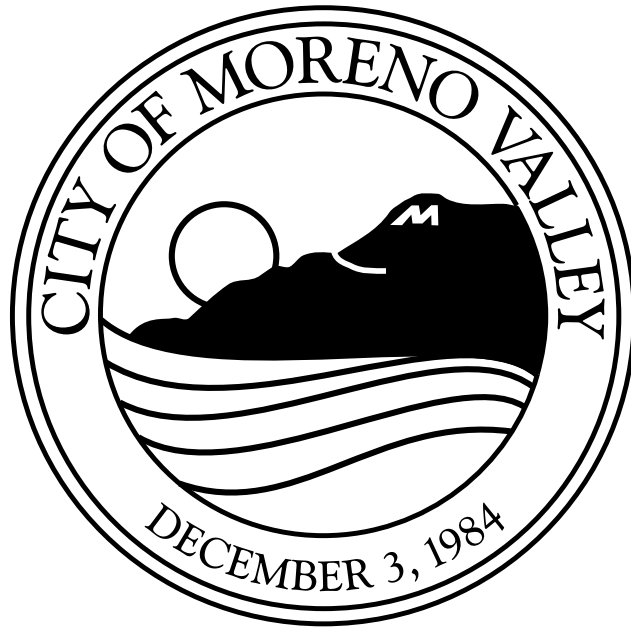
	<u>2015</u>	<u>2016</u>
Actually determined contributions	\$ 4,616,283	\$ 4,919,325
Contributions in relation to the actuarially determined contribution:	(4,620,745)	(4,923,787)
Contribution deficiency / (excess)	<u>\$ (4,462)</u>	<u>\$ (4,462)</u>
Covered-employee payroll	<u>\$ 23,278,052</u>	<u>\$ 22,079,654</u>
Contributions as a percentage of covered-employee payroll	<u>19.85%</u>	<u>22.30%</u>

Notes to Schedule:

Valuation date	6/30/2013	6/30/2014
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The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2014-15 were from the June 30, 2012 public agency valuations.

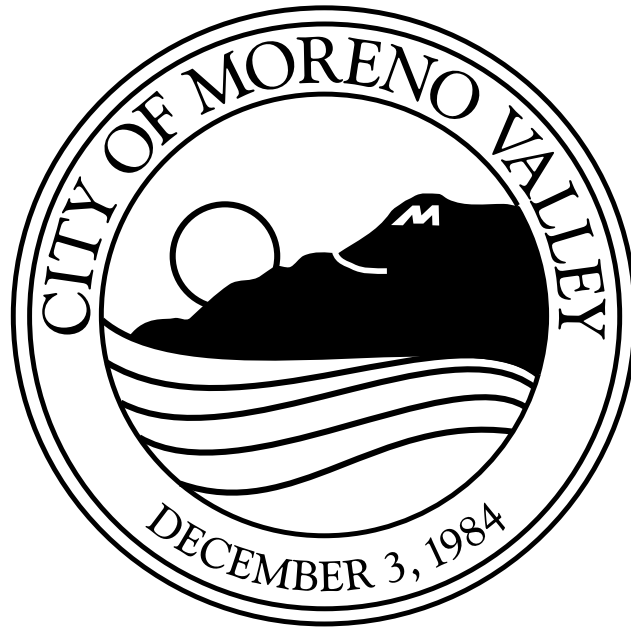
Actuarial cost method	Entry Age Normal
Amortization method / Period	For details, see June 30, 2012 Funding Valuation Report.
Asset valuation method	Actuarial Value of Assets. For details, see June 30, 2012 Funding Valuation Report.
Inflation	2.75%
Salary increases	Varies by Entry Age and Service
Payroll growth	3.00%
Investment rate of return	7.50%, Net of Pension Plan Investment Expense and Expenses; including inflation.
Retirement age	The probabilities of Retirement are based on the 2010 Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre- and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.



COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2016



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS:

State Gas Tax Fund

This fund is used to account for the City's share of state gas tax revenue restricted for street improvement and maintenance. The revenue is apportioned under the Streets and Highway Code of the State of California.

Article 3 Transportation Fund

This fund is used to account for the City's share of Article 3 revenue restricted for construction of pedestrian and bikeway projects.

Measure A Fund

This fund is used to account for the City's share of the Riverside County half-cent sales tax restricted for transportation projects.

Law Enforcement Grants Fund

This fund is used to account for revenue from several grants restricted for law enforcement. The grants include the Supplemental Law Enforcement Services Fund (SLESF), Office of Traffic Safety Grant (OTS), Edward Byrne Memorial Justice Assistance Grant (JAG).

Other Grants Fund

This fund is used to account for revenues and expenditures received from various governmental agencies and other sources for multiple purposes including beverage recycling, energy efficiency, and public safety.

Public Education Government Access Fund

This fund is used to account for revenues and expenditures received in support of the City's cable television channel, MVTV-3. This fund also includes activity related to public education and government programming and equipment.

Air Quality Management Fund

This fund is used to account for the City's share of the State AB 2766 funds. The revenue is apportioned to cities by the South Coast Air Quality Management District and is restricted for programs to reduce air pollution from mobile sources pursuant to the California Clean Air Act of 1988.

Community Development Block Grant Fund

This fund is used to account for federal funds received from the U.S. Department of Housing and Urban Development – Community Development Block Grant Program to be used for the development of suitable housing environment and expansion of economic opportunities for low and moderate income families.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED):

Special Districts Administration Fund

This fund is used to account for the coordination and administration of all special assessments districts formed within the City for infrastructure improvements.

Storm Water Management Fund

This fund is used to account for the city-wide storm water and non-storm water pollution prevention compliance work conducted and programs prepared to comply with regulations set forth by the current National Pollutant Discharge Elimination System (NPDES).

HOME Fund

This fund is used to account for federal funds received from the U.S. Department of Housing and Urban Development to be used to develop and implement programs that expand the supply of affordable housing for low and very low income families.

Child Care Grant Fund

This fund is used to account for the Child Care grant program which provides after-school day care for the City's residents.

Used Oil Recycling Grant Fund

This fund is used to account for the California Integrated Waste Management Board Used Oil Block Grant. The program provides public education and convenient used oil collection sites.

Storm Water Maintenance Fund

This fund is used to ensure the safety and cleanliness of our City streets and the City's maintained storm drain system by cleaning all catch basins, connector pipes and culverts on an annual basis and by providing emergency services, as needed.

ASES Program Grants Fund

This fund is used to account for the ASES program grants which provide after school education, after school safety and a food program that helps providers serve nutritious and safely prepared meals and snacks to children and adults in a day care setting.

CFD No. 2014-01 Fund

This fund is used to finance public services related to new parks constructed after the formation of the District and authorized the levy of a special tax. Financial responsibility for new parks is placed onto those properties that created the need for additional park facilities.

CFD No. 4-M Fund

This fund is used to account for the maintenance and administration costs of the detention basin within Centerpointe Business Park.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED):

Civil Penalties Fund

This fund is used to account for all financial transactions involving civil penalties received by the City in accordance with the provisions of SB 1137, which requires legal owners of vacant properties to maintain and care for them.

Emergency Services Agency Fines Fund

This fund is used to account for the financial transactions involving American Medical Response (AMR) fines received by the City, which are to be used only to fund the purchase of various equipment needed by the Fire Department.

Energy Efficiency Revolving Fund

This fund is used to account for cost-effective energy efficiency programs and projects with the use of utility rebates and incentives.

Capital Projects Grants Fund

This fund is used to account for capital project financed by grants.

CAPITAL PROJECTS FUNDS:

Public Works Capital Projects Fund

This fund is used to account for general City capital projects.

Traffic Signal Mitigation Fund

This fund is used to account for traffic signal projects funded by revenues received from traffic mitigation fees.

Fire Services Capital Projects Fund

This fund is used to account for capital projects specific to Fire Services, including construction of new fire stations.

Towngate Capital/Administration Fund

This fund is used to account for the acquisition and construction of capital facilities in the Towngate area financed through special tax bonds.

Warner Ranch Capital/Development Fund

This fund is used to account for the acquisition or construction of capital facilities in the Warner Ranch area financed through special assessments.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS (CONTINUED):

Parks and Community Services Development and Projects Fund

This fund is used to account for parks acquisition and development projects in accordance with the Quimby Act, a 1965 provision in the State Subdivision Map Act for the dedication of park land. This fund is used to account for general parks and recreation capital projects, the development of new parks and recreation facilities, community parks, neighborhood parks and sports facilities and for the major renovation of existing parks and facilities.

TUMF Capital Projects Fund

This fund is used to account for transportation capital projects funded by the City's share of the Transportation Uniform Mitigation Fee (TUMF) which is a mandatory development impact fee program in Western Riverside County. This program, enacted by a two-thirds majority of voters in 2002, was designed to pay for major roads and interchange projects that are needed to serve communities as a result of new development. The Western Riverside Council of Governments (WRCOG) administers the program.

DIF Capital Projects Fund

This group of funds is used to account for construction of major capital improvements funded by the development impact fee (DIF) revenues charged to developers.

TRIP Capital Projects Fund

This fund is used to account for the construction of capital improvements funded by the 2013 TRIP Certificates of Participation issued in August 2013.

DEBT SERVICE FUNDS:

2007 Towngate Improvement Refunding Debt Service Fund

This fund is used to account for the accumulation of resources and for the payment of principal, interest, and trustee and administrative costs related to the Improvement Area No. 1 Special Tax Refunding Bonds issued November 29, 2007.

2007 Towngate Refunding Debt Service Fund

This fund is used to account for the accumulation of resources and for the payment of principal, interest, and trustee and administrative costs related to the Special Tax Refunding Bonds issued November 29, 2007.

2011 Private Placement Refunding 97 Lease Rev Bonds

This fund is used to account for the accumulation of resources and for the payment of the refinancing of the 1997 Lease Revenue Bonds.

2011 Private Placement Refunding 97 Various COPs

This fund is used to account for the accumulation of resources and for the payment of the refinancing of the 1997 Certificates of Participation.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

DEBT SERVICE FUNDS (CONTINUED):

TRIP COP 13A Debt Service Fund

This fund is used to account for the accumulation of resources and for the payment of the 2013 TRIP Certificates of Participation issued in August 2013.

2013 Refunding 2005 Lease Revenue Bonds

This fund is used to account for the accumulation of resources and for the payment of the refinancing of the 2005 Lease Revenue Bonds.

2014 Refunding 2005 Lease Revenue Bonds

This fund is used to account for the accumulation of resources and for the payment of the refinancing of the 2005 Lease Revenue Bonds.

PERMANENT FUNDS:

Celebration Park Endowment Fund

This fund is used to account for the endowment program for Celebration Park. The principal endowment amount was provided by a developer. The Parks and Community Services Department will use 85% of the interest earned each year to sponsor a community event at Celebration Park for the surrounding community to enhance community pride and involvement.

Equestrian Trail Endowment Fund

This fund is used to account for the endowment program for the Equestrian Trail. The principal endowment amount was provided by a developer. The interest earned will be used for the benefit of citywide trail use, maintenance, education and other trail-related costs.

Rockridge Park Endowment Fund

This fund is used to account for the endowment program provided for Rockridge Park. The principal endowment was provided by a developer. The interest earned will be used for the benefit of the facilities at Rockridge Park.

NPDES Endowment Fund

This fund is used to account for the endowment program provided for by National Pollutant Discharge Elimination System (NPDES). The principal endowment was provided by a property owner. The interest earned will be used for the benefit of the NPDES program.

Cultural Preservation Fund

This fund is used to account for funds held and managed for the purposes of securing a museum location or renovating a building for use as a museum. The interest earned will be used for the benefit of museum facility acquisition.

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016**

	Special Revenue Funds			
	State Gasoline Tax	Article 3 Transportation	Measure A	Law Enforcement Grants
Assets				
Pooled cash and investments	\$ 45,529	\$ -	\$ 6,794,068	\$ -
Receivables:				
Accounts	-	-	9,220	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	32,821	1,100,532	254,079
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	<u>\$ 45,529</u>	<u>\$ 32,821</u>	<u>\$ 7,903,820</u>	<u>\$ 254,079</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities				
Accounts payable	\$ 29,175	\$ 25,359	\$ 187,454	\$ 19,011
Accrued liabilities	16,354	-	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	7,462	-	235,068
Total Liabilities	<u>45,529</u>	<u>32,821</u>	<u>187,454</u>	<u>254,079</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	7,716,366	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>-</u>	<u>-</u>	<u>7,716,366</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 45,529</u>	<u>\$ 32,821</u>	<u>\$ 7,903,820</u>	<u>\$ 254,079</u>

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

Special Revenue Funds			
Other Grants	Public Education Government Access	Air Quality Management	Community Development Block Grant
\$ -	\$ 1,397,752	\$ 158,718	\$ -
10,733	147,931	-	-
-	-	-	-
291,966	-	-	1,151,719
-	-	-	-
\$ 302,699	\$ 1,545,683	\$ 158,718	\$ 1,151,719
\$ 72,595	\$ -	\$ 11,794	\$ 415,712
-	-	-	-
56,747	-	-	-
173,357	-	-	736,007
302,699	-	11,794	1,151,719
-	-	-	-
-	-	-	-
-	-	-	-
-	1,545,683	-	-
-	-	-	-
-	-	146,924	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	1,545,683	146,924	-
\$ 302,699	\$ 1,545,683	\$ 158,718	\$ 1,151,719

Assets
Pooled cash and investments
Receivables:
Accounts
Notes and loans
Interest
Due from other governments
Restricted assets:
Cash with fiscal agents
Total Assets

Liabilities, Deferred Inflows of Resources, and Fund Balances:

Liabilities
Accounts payable
Accrued liabilities
Unearned revenues
Due to other funds
Total Liabilities

Deferred Inflows of Resources:
Unavailable revenues
Total Deferred Inflows of Resources

Fund Balances:
Nonspendable
Notes and loans
Advances to other funds
Permanent fund principal
Restricted for:
Community development projects
Public safety
Public works
Capital projects
Debt service
Endowment
Water quality

Unassigned
Total Fund Balances
Total Liabilities, Deferred Inflows of Resources and Fund Balances

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016**

	<u>Special Revenue Funds</u>			
	<u>Special Districts Administration</u>	<u>Storm Water Management</u>	<u>HOME</u>	<u>Child Care Grant</u>
Assets				
Pooled cash and investments	\$ 1,212,450	\$ 701,883	\$ 246,318	\$ -
Receivables:				
Accounts	-	39,790	-	-
Notes and loans	-	-	5,682,485	-
Interest	-	-	536,658	-
Due from other governments	-	4,026	132,017	60,005
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	<u>\$ 1,212,450</u>	<u>\$ 745,699</u>	<u>\$ 6,597,478</u>	<u>\$ 60,005</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities				
Accounts payable	\$ 1,813	\$ 38,082	\$ 60,231	\$ 2,907
Accrued liabilities	21,243	-	-	29,782
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	27,316
Total Liabilities	<u>23,056</u>	<u>38,082</u>	<u>60,231</u>	<u>60,005</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	637,987	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>637,987</u>	<u>-</u>
Fund Balances:				
Nonspendable				
Notes and loans	-	-	5,581,156	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	318,104	-
Public safety	-	-	-	-
Public works	1,189,394	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowment	-	-	-	-
Water Quality	-	707,617	-	-
Unassigned				
Total Fund Balances	<u>1,189,394</u>	<u>707,617</u>	<u>5,899,260</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,212,450</u>	<u>\$ 745,699</u>	<u>\$ 6,597,478</u>	<u>\$ 60,005</u>

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

<u>Special Revenue Funds</u>				
<u>Used Oil Recycling</u>	<u>Storm Water Maintenance</u>	<u>ASES Program Grants</u>	<u>CFD No. 2014-01</u>	
\$ 62,107	\$ -	\$ -	\$ 157,753	Assets
-	140,786	-	-	Pooled cash and investments
-	-	-	-	Receivables:
-	-	-	-	Accounts
-	-	-	-	Notes and loans
-	-	505,092	835	Interest
-	-	-	-	Due from other governments
-	-	-	-	Restricted assets:
-	-	-	-	Cash with fiscal agents
<u>\$ 62,107</u>	<u>\$ 140,786</u>	<u>\$ 505,092</u>	<u>\$ 158,588</u>	Total Assets
				Liabilities, Deferred Inflows of Resources, and Fund Balances:
\$ 7,249	\$ 4,883	\$ 5,403	\$ 87,621	Liabilities
-	-	-	-	Accounts payable
54,858	-	-	-	Accrued liabilities
-	56,297	464,216	-	Unearned revenues
<u>62,107</u>	<u>61,180</u>	<u>469,619</u>	<u>87,621</u>	Due to other funds
				Total Liabilities
-	-	-	-	Deferred Inflows of Resources:
-	-	-	-	Unavailable revenues
				Total Deferred Inflows of Resources
				Fund Balances:
-	-	-	-	Nonspendable
-	-	-	-	Notes and loans
-	-	-	-	Advances to other funds
-	-	-	-	Permanent fund principal
-	-	35,473	-	Restricted for:
-	-	-	-	Community development projects
-	79,606	-	70,967	Public safety
-	-	-	-	Public works
-	-	-	-	Capital projects
-	-	-	-	Debt service
-	-	-	-	Endowment
-	-	-	-	Water quality
-	-	-	-	Unassigned
<u>-</u>	<u>79,606</u>	<u>35,473</u>	<u>70,967</u>	Total Fund Balances
<u>\$ 62,107</u>	<u>\$ 140,786</u>	<u>\$ 505,092</u>	<u>\$ 158,588</u>	Total Liabilities, Deferred Inflows of Resources and Fund Balances

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016**

	<u>Special Revenue Funds</u>			
	<u>CFD No. 4-M</u>	<u>Civil Penalties</u>	<u>Emergency Services Agency Fines</u>	<u>Energy Efficiency Revolving</u>
Assets				
Pooled cash and investments	\$ 85,013	\$ 124,174	\$ 391,028	\$ 123,949
Receivables:				
Accounts	-	-	82,254	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	-	-	-
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	<u>\$ 85,013</u>	<u>\$ 124,174</u>	<u>\$ 473,282</u>	<u>\$ 123,949</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities				
Accounts payable	\$ 3,748	\$ 2,599	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	<u>3,748</u>	<u>2,599</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	121,575	-	-
Public safety	-	-	473,282	-
Public works	81,265	-	-	123,949
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>81,265</u>	<u>121,575</u>	<u>473,282</u>	<u>123,949</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 85,013</u>	<u>\$ 124,174</u>	<u>\$ 473,282</u>	<u>\$ 123,949</u>

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

Special Revenue Funds		Capital Projects Fund			
Grants Capital Projects	Public Works Capital Projects	Traffic Signal Mitigation	Fire Services Capital Projects		
\$ 676,708	\$ 904,994	\$ 141,191	\$ 62,884		Assets
-	-	-	-		Pooled cash and investments
-	-	-	-		Receivables:
-	-	-	-		Accounts
172,230	374,637	-	-		Notes and loans
-	-	-	-		Interest
-	-	-	-		Due from other governments
-	-	-	-		Restricted assets:
-	-	-	-		Cash with fiscal agents
\$ 848,938	\$ 1,279,631	\$ 141,191	\$ 62,884		Total Assets
					Liabilities, Deferred Inflows of Resources, and Fund Balances:
					Liabilities
\$ 49,521	\$ 113,439	\$ -	\$ -		Accounts payable
-	-	-	-		Accrued liabilities
-	-	-	-		Unearned revenues
-	-	-	-		Due to other funds
49,521	113,439	-	-		Total Liabilities
					Deferred Inflows of Resources:
-	-	-	-		Unavailable revenues
-	-	-	-		Total Deferred Inflows of Resources
					Fund Balances:
					Nonspendable
-	-	-	-		Notes and loans
-	-	-	-		Advances to other funds
-	-	-	-		Permanent fund principal
					Restricted for:
-	-	-	-		Community development projects
-	-	-	-		Public safety
-	-	-	-		Public works
799,417	1,166,192	141,191	62,884		Capital projects
-	-	-	-		Debt service
-	-	-	-		Endowment
-	-	-	-		Water quality
-	-	-	-		Unassigned
799,417	1,166,192	141,191	62,884		Total Fund Balances
\$ 848,938	\$ 1,279,631	\$ 141,191	\$ 62,884		Total Liabilities, Deferred Inflows of Resources and Fund Balances

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016**

	Capital Projects Funds			
	Towngate Capital / Administration	Warner Ranch Capital / Development	Parks and Community Services Capital Projects	TUMF Capital Projects
Assets				
Pooled cash and investments	\$ -	\$ -	\$ 4,436,925	\$ -
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	-	-	612,940
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	\$ -	\$ -	\$ 4,436,925	\$ 612,940
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 20,726	\$ 26,128
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	708,942
Total Liabilities	-	-	20,726	735,070
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	-	-	4,416,199	-
Debt service	-	-	-	-
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	-	-	-	(122,130)
Total Fund Balances	-	-	4,416,199	(122,130)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ -	\$ -	\$ 4,436,925	\$ 612,940

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

Capital Projects Funds		Debt Service Funds		
DIF Capital Projects	TRIP Capital Projects	2007 Towngate Improvement Refunding	2007 Towngate Refunding	
\$ 1,052,513	\$ -	\$ 72,436	\$ 47,816	Assets
-	-	-	-	Pooled cash and investments
-	-	-	-	Receivables:
-	-	-	-	Accounts
-	-	-	-	Notes and loans
-	-	-	-	Interest
20,555	-	2,004	-	Due from other governments
-	-	-	-	Restricted assets:
-	1,576,698	785,861	2,804,299	Cash with fiscal agents
<u>\$ 1,073,068</u>	<u>\$ 1,576,698</u>	<u>\$ 860,301</u>	<u>\$ 2,852,115</u>	Total Assets
				Liabilities, Deferred Inflows of Resources, and Fund Balances:
				Liabilities
\$ 21,307	\$ 822,052	\$ -	\$ -	Accounts payable
-	-	-	-	Accrued liabilities
-	-	-	-	Unearned revenues
-	36,766	-	-	Due to other funds
<u>21,307</u>	<u>858,818</u>	<u>-</u>	<u>-</u>	Total Liabilities
				Deferred Inflows of Resources:
-	-	-	-	Unavailable revenues
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total Deferred Inflows of Resources
				Fund Balances:
				Nonspendable
-	-	-	-	Notes and loans
-	-	-	-	Advances to other funds
-	-	-	-	Permanent fund principal
				Restricted for:
-	-	-	-	Community development projects
-	-	-	-	Public safety
-	-	-	-	Public works
1,051,761	717,880	-	-	Capital projects
-	-	860,301	2,852,115	Debt service
-	-	-	-	Endowment
-	-	-	-	Water quality
-	-	-	-	Unassigned
<u>1,051,761</u>	<u>717,880</u>	<u>860,301</u>	<u>2,852,115</u>	Total Fund Balances
<u>\$ 1,073,068</u>	<u>\$ 1,576,698</u>	<u>\$ 860,301</u>	<u>\$ 2,852,115</u>	Total Liabilities, Deferred Inflows of Resources and Fund Balances

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016**

	Debt Service Funds			
	2011 Private Placement Ref 97 Lease Rev Bonds	2011 Private Placement Ref 97 COPs	TRIP COP 13A Debt Service	2013 Refunding 2005 Lease Revenue Bonds
Assets				
Pooled cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	-	-	-
Restricted assets:				
Cash with fiscal agents	-	-	2,778	9
Total Assets	\$ -	\$ -	\$ 2,778	\$ 9
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	2,778	9
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	-	-	2,778	9
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ -	\$ -	\$ 2,778	\$ 9

City of Moreno Valley, California

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

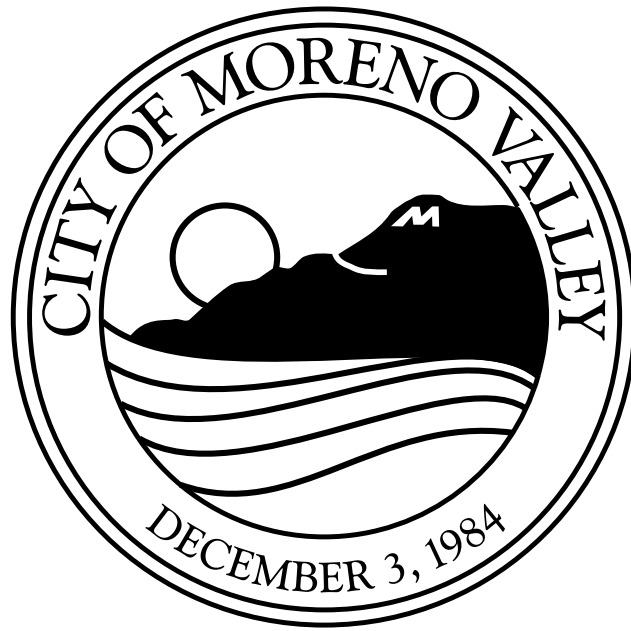
Debt Services Funds	Permanent Funds			
2014 Refunding 2005 Lease Revenue Bonds	Celebration Park Endowment	Equestrian Trail Endowment	Rockridge Park Endowment	
\$ 6,019,109	\$ 63,282	\$ 11,159	\$ 109,704	Assets
-	-	-	-	Pooled cash and investments
-	-	-	-	Receivables:
-	-	-	-	Accounts
-	-	-	-	Notes and loans
-	-	-	-	Interest
-	-	-	-	Due from other governments
18	-	-	-	Restricted assets:
-	-	-	-	Cash with fiscal agents
<u>\$ 6,019,127</u>	<u>\$ 63,282</u>	<u>\$ 11,159</u>	<u>\$ 109,704</u>	Total Assets
				Liabilities, Deferred Inflows of Resources, and Fund Balances:
				Liabilities
\$ -	\$ -	\$ -	\$ -	Accounts payable
-	-	-	-	Accrued liabilities
-	-	-	-	Unearned revenues
-	-	-	-	Due to other funds
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total Liabilities
				Deferred Inflows of Resources:
-	-	-	-	Unavailable revenues
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total Deferred Inflows of Resources
				Fund Balances:
				Nonspendable
-	-	-	-	Notes and loans
-	-	-	-	Advances to other funds
-	49,050	10,000	100,000	Permanent fund principal
				Restricted for:
-	-	-	-	Community development projects
-	-	-	-	Public safety
-	-	-	-	Public works
-	-	-	-	Capital projects
6,019,127	-	-	-	Debt service
-	14,232	1,159	9,704	Endowment
-	-	-	-	Water quality
-	-	-	-	Unassigned
<u>6,019,127</u>	<u>63,282</u>	<u>11,159</u>	<u>109,704</u>	Total Fund Balances
<u>\$ 6,019,127</u>	<u>\$ 63,282</u>	<u>\$ 11,159</u>	<u>\$ 109,704</u>	Total Liabilities, Deferred Inflows of Resources and Fund Balances

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016**

	<u>Permanent Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>NPDES Endowment</u>	<u>Cultural Preservation</u>	
Assets			
Pooled cash and investments	\$ 32,790	\$ 120,747	\$ 25,253,000
Receivables:			
Accounts	-	-	430,714
Notes and loans	-	-	5,682,485
Interest	-	-	536,658
Due from other governments	-	-	4,715,458
Restricted assets:			
Cash with fiscal agents	-	-	5,169,663
Total Assets	<u>\$ 32,790</u>	<u>\$ 120,747</u>	<u>\$ 41,787,978</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities			
Accounts payable	\$ -	\$ -	\$ 2,028,809
Accrued liabilities	-	-	67,379
Unearned revenues	-	-	111,605
Due to other funds	-	-	2,445,431
Total Liabilities	<u>-</u>	<u>-</u>	<u>4,653,224</u>
Deferred Inflows of Resources:			
Unavailable revenues	-	-	637,987
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>637,987</u>
Fund Balances:			
Nonspendable			
Notes and loans	-	-	5,581,156
Advances to other funds	-	-	-
Permanent fund principal	14,506	114,542	288,098
Restricted for:			
Community development projects	-	-	2,020,835
Public safety	-	-	473,282
Public works	-	-	9,408,471
Capital projects	-	-	8,355,524
Debt service	-	-	9,734,330
Endowment	18,284	6,205	49,584
Water quality	-	-	707,617
Unassigned	<u>-</u>	<u>-</u>	<u>(122,130)</u>
Total Fund Balances	<u>32,790</u>	<u>120,747</u>	<u>36,496,767</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 32,790</u>	<u>\$ 120,747</u>	<u>\$ 41,787,978</u>



City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2016

	<u>Special Revenue Funds</u>			
	<u>State Gasoline Tax</u>	<u>Article 3 Transportation</u>	<u>Measure A</u>	<u>Law Enforcement</u>
Revenues				
Taxes:				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	4,319,726	32,821	5,051,521	449,813
Fees and charges for services	5,505	-	9,220	-
Use of money and property	-	-	80,681	-
Miscellaneous	4,669	-	35,710	-
Total Revenues	4,329,901	32,821	5,177,132	449,813
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	449,813
Community development	-	-	-	-
Community and cultural	-	-	-	-
Public works	4,208,561	-	1,581,072	-
Capital outlay	36,450	32,821	2,177,126	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	4,245,011	32,821	3,758,198	449,813
Excess (Deficiency) of Revenues Over (Under) Expenditures	84,890	-	1,418,934	-
Other Financing Sources (Uses)				
Transfers in	160,000	-	-	-
Transfers out	(50,000)	-	(2,090,303)	-
Contributions from Successor Agency	-	-	-	-
Total other financing sources (uses)	110,000	-	(2,090,303)	-
Net Change in Fund Balances	194,890	-	(671,369)	-
Fund Balances				
Beginning of year	(194,890)	-	8,387,735	-
End of year	\$ -	\$ -	\$ 7,716,366	\$ -

City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2016

Special Revenue Funds			
Other Grants	Public Education Government Access	Air Quality Management	Community Development Block Grant
\$ -	\$ -	\$ -	\$ -
526,270	-	250,806	2,539,555
-	-	23,597	-
-	-	622	-
-	598,352	-	-
526,270	598,352	275,025	2,539,555
16,779	657,976	-	-
162,405	-	-	124,666
132,601	-	-	744,053
8,175	-	-	-
38,382	-	198,125	-
167,928	5,820	77,589	1,670,836
-	-	-	-
-	-	-	-
526,270	663,796	275,714	2,539,555
-	(65,444)	(689)	-
-	-	-	-
-	-	-	-
-	-	-	-
-	(65,444)	(689)	-
-	1,611,127	147,613	-
\$ -	\$ 1,545,683	\$ 146,924	\$ -

Revenues

- Taxes:
- Other taxes
- Intergovernmental
- Fees and charges for services
- Use of money and property
- Miscellaneous

Total Revenues

Expenditures

- Current:
- General government
- Public safety
- Community development
- Community and cultural
- Public works
- Capital outlay
- Debt service:
- Principal retirement
- Interest and fiscal charges

Total Expenditures

Excess (Deficiency) of Revenues Over (Under) Expenditures

Other Financing Sources (Uses)

- Transfers in
- Transfers out
- Contributions from Successor Agency

Total other financing sources (uses)

Net Change in Fund Balances

Fund Balances

- Beginning of year
- End of year

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2016

	<u>Special Revenue Funds</u>			
	<u>Special Districts Administration</u>	<u>Storm Water Management</u>	<u>HOME</u>	<u>Child Care Grant</u>
Revenues				
Taxes:				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	142,590	626,967
Fees and charges for services	705,915	615,888	-	14,572
Use of money and property	10,484	-	-	-
Miscellaneous	-	-	-	729
Total Revenues	<u>716,399</u>	<u>615,888</u>	<u>142,590</u>	<u>642,268</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	457,149	-
Community and cultural	-	-	-	642,268
Public works	577,346	447,402	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>577,346</u>	<u>447,402</u>	<u>457,149</u>	<u>642,268</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>139,053</u>	<u>168,486</u>	<u>(314,559)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers in	-	223	-	-
Transfers out	-	-	-	-
Contributions from Successor Agency	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>223</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>139,053</u>	<u>168,709</u>	<u>(314,559)</u>	<u>-</u>
Fund Balances				
Beginning of year	1,050,341	538,908	6,213,819	-
End of year	<u>\$ 1,189,394</u>	<u>\$ 707,617</u>	<u>\$ 5,899,260</u>	<u>\$ -</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2016

<u>Special Revenue Funds</u>			
<u>Used Oil Recycling</u>	<u>Storm Water Maintenance</u>	<u>ASES Program Grants</u>	<u>CFD No. 2014-01</u>
			Revenues
			Taxes:
\$ -	\$ -	\$ -	Other taxes \$ 27,547
51,803	-	6,734,556	Intergovernmental -
-	299,542	-	Fees and charges for services 11,560
-	-	-	Use of money and property 528
-	-	21,131	Miscellaneous -
<u>51,803</u>	<u>299,542</u>	<u>6,755,687</u>	<u>39,635</u>
			Total Revenues
			Expenditures
			Current:
-	-	-	General government
-	-	-	Public safety
-	-	-	Community development
-	-	6,735,844	Community and cultural
51,803	305,340	-	Public works 6,860
-	-	-	Capital outlay -
-	-	-	Debt service:
-	-	-	Principal retirement -
-	-	-	Interest and fiscal charges -
<u>51,803</u>	<u>305,340</u>	<u>6,735,844</u>	<u>6,860</u>
			Total Expenditures
			Excess (Deficiency) of Revenues
<u>-</u>	<u>(5,798)</u>	<u>19,843</u>	<u>32,775</u>
			Over (Under) Expenditures
			Other Financing Sources (Uses)
-	50,000	-	Transfers in
-	-	-	Transfers out
-	-	-	Contributions from Successor Agency
<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>
			Total other financing sources (uses)
<u>-</u>	<u>44,202</u>	<u>19,843</u>	<u>32,775</u>
			Net Change in Fund Balances
			Fund Balances
-	35,404	15,630	38,192
<u>\$ -</u>	<u>\$ 79,606</u>	<u>\$ 35,473</u>	<u>\$ 70,967</u>
			Beginning of year
			End of year

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2016

	<u>Special Revenue Funds</u>			
	<u>CFD #4M</u>	<u>Civil Penalties</u>	<u>Emergency Services Agency Fines</u>	<u>Energy Efficiency Revolving</u>
Revenues				
Taxes:				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	82,253	-
Fees and charges for services	33,978	-	-	-
Use of money and property	1,285	-	6,743	-
Miscellaneous	-	11,008	-	21,986
Total Revenues	<u>35,263</u>	<u>11,008</u>	<u>88,996</u>	<u>21,986</u>
Expenditures				
Current:				
General government	-	86,616	-	-
Public safety	-	-	1,195	-
Community development	-	-	-	-
Community and cultural	-	-	-	-
Public works	28,063	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>28,063</u>	<u>86,616</u>	<u>1,195</u>	<u>-</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>7,200</u>	<u>(75,608)</u>	<u>87,801</u>	<u>21,986</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Contributions from Successor Agency	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>7,200</u>	<u>(75,608)</u>	<u>87,801</u>	<u>21,986</u>
Fund Balances				
Beginning of year	74,065	197,183	385,481	101,963
End of year	<u>\$ 81,265</u>	<u>\$ 121,575</u>	<u>\$ 473,282</u>	<u>\$ 123,949</u>

City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2016

Special Revenue Funds	Capital Projects Fund			
Grants Capital Projects	Public Works Capital Projects	Traffic Signal Mitigation	Fire Services Capital Projects	
\$ -	\$ -	\$ -	\$ -	Revenues
1,142,200	994,626	-	-	Taxes:
-	1,236	-	-	Other taxes
-	-	-	-	Intergovernmental
-	347,672	-	-	Fees and charges for services
<u>1,142,200</u>	<u>1,343,534</u>	<u>-</u>	<u>-</u>	Use of money and property
				Miscellaneous
				Total Revenues
				Expenditures
-	-	-	-	Current:
-	-	-	-	General government
46,340	-	-	-	Public safety
-	-	-	-	Community development
-	-	-	-	Community and cultural
-	-	-	-	Public works
1,358,586	1,188,303	-	98,242	Capital outlay
-	-	-	-	Debt service:
-	-	-	-	Principal retirement
<u>1,404,926</u>	<u>1,188,303</u>	<u>-</u>	<u>98,242</u>	Interest and fiscal charges
				Total Expenditures
<u>(262,726)</u>	<u>155,231</u>	<u>-</u>	<u>(98,242)</u>	Excess (Deficiency) of Revenues
				Over (Under) Expenditures
				Other Financing Sources (Uses)
-	11,001	-	176,500	Transfers in
-	-	-	-	Transfers out
-	-	-	-	Contributions from Successor Agency
<u>-</u>	<u>11,001</u>	<u>-</u>	<u>176,500</u>	Total other financing sources (uses)
<u>(262,726)</u>	<u>166,232</u>	<u>-</u>	<u>78,258</u>	Net Change in Fund Balances
				Fund Balances
1,062,143	999,960	141,191	(15,374)	Beginning of year
<u>\$ 799,417</u>	<u>\$ 1,166,192</u>	<u>\$ 141,191</u>	<u>\$ 62,884</u>	End of year

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2016

	Capital Projects Funds			
	Towngate Capital / Administration	Warner Ranch Capital / Development	Parks and Community Services Capital Projects	TUMF Capital Projects
Revenues				
Taxes:				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	1,530,577
Fees and charges for services	-	-	-	-
Use of money and property	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	-	-	1,530,577
Expenditures				
Current:				
General government	-	2,672	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Community and cultural	-	-	-	-
Public works	177,430	-	-	-
Capital outlay	-	-	660,907	1,415,343
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	177,430	2,672	660,907	1,415,343
Excess (Deficiency) of Revenues Over (Under) Expenditures	(177,430)	(2,672)	(660,907)	115,234
Other Financing Sources (Uses)				
Transfers in	177,430	-	1,035,000	-
Transfers out	-	(11,001)	(155,184)	-
Contributions from Successor Agency	-	-	-	-
Total other financing sources (uses)	177,430	(11,001)	879,816	-
Net Change in Fund Balances	-	(13,673)	218,909	115,234
Fund Balances				
Beginning of year	-	13,673	4,197,290	(237,364)
End of year	\$ -	\$ -	\$ 4,416,199	\$ (122,130)

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2016

<u>Capital Projects Funds</u>		<u>Debt Service Funds</u>		
<u>DIF Capital Projects</u>	<u>TRIP Capital Projects</u>	<u>2007 Towngate Improvement Refunding</u>	<u>2007 Towngate Refunding</u>	
\$ -	\$ -	\$ 114,070	\$ -	Revenues
31,839	-	-	-	Taxes:
-	-	-	-	Other taxes
-	2,042	178	677	Intergovernmental
24,711	6,505	-	-	Fees and charges for services
<u>56,550</u>	<u>8,547</u>	<u>114,248</u>	<u>677</u>	Use of money and property
				Miscellaneous
				Total Revenues
				Expenditures
				Current:
-	-	-	-	General government
-	-	-	-	Public safety
-	-	-	-	Community development
-	-	-	-	Community and cultural
-	-	-	-	Public works
498,142	6,475,159	-	-	Capital outlay
				Debt service:
-	-	240,000	760,000	Principal retirement
-	-	115,739	253,381	Interest and fiscal charges
<u>498,142</u>	<u>6,475,159</u>	<u>355,739</u>	<u>1,013,381</u>	Total Expenditures
				Excess (Deficiency) of Revenues
<u>(441,592)</u>	<u>(6,466,612)</u>	<u>(241,491)</u>	<u>(1,012,704)</u>	Over (Under) Expenditures
				Other Financing Sources (Uses)
2,145	-	-	-	Transfers in
-	-	(31,366)	(146,064)	Transfers out
-	-	280,000	1,190,000	Contributions from Successor Agency
<u>2,145</u>	<u>-</u>	<u>248,634</u>	<u>1,043,936</u>	Total other financing sources (uses)
<u>(439,447)</u>	<u>(6,466,612)</u>	<u>7,143</u>	<u>31,232</u>	Net Change in Fund Balances
				Fund Balances
1,491,208	7,184,492	853,158	2,820,883	Beginning of year
<u>\$ 1,051,761</u>	<u>\$ 717,880</u>	<u>\$ 860,301</u>	<u>\$ 2,852,115</u>	End of year

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2016

	Debt Service Funds			
	2011 Private Placement Ref 97 Lease Rev Bonds	2011 Private Placement Ref 97 COPs	TRIP COP 13A Debt Service	2013 Refunding 2005 Lease Revenue Bonds
Revenues				
Taxes:				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Fees and charges for services	-	-	-	-
Use of money and property	-	-	42	15
Miscellaneous	-	-	-	-
Total Revenues	-	-	42	15
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Community and cultural	-	-	-	-
Public works	-	-	12,254	3,848
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	252,000	753,500	-	1,033,000
Interest and fiscal charges	87,082	33,660	991,313	459,641
Total Expenditures	339,082	787,160	1,003,567	1,496,489
Excess (Deficiency) of Revenues Over (Under) Expenditures	(339,082)	(787,160)	(1,003,525)	(1,496,474)
Other Financing Sources (Uses)				
Transfers in	189,082	787,160	1,006,303	1,496,452
Transfers out	-	-	-	-
Contributions from Successor Agency	150,000	-	-	-
Total other financing sources (uses)	339,082	787,160	1,006,303	1,496,452
Net Change in Fund Balances	-	-	2,778	(22)
Fund Balances				
Beginning of year	-	-	-	31
End of year	\$ -	\$ -	\$ 2,778	\$ 9

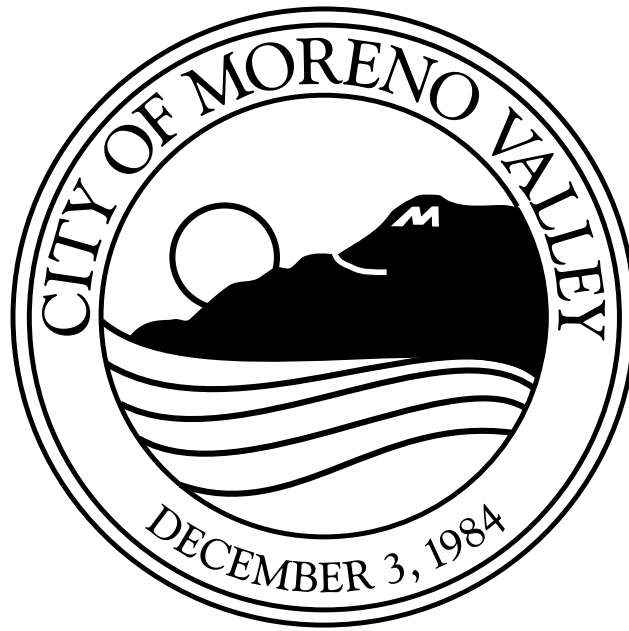
City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2016

Debt Service Funds	Permanent Funds			
2014 Refunding 2005 Lease Revenue Bonds	Celebration Park Endowment	Equestrian Trail Endowment	Rockridge Park Endowment	
				Revenues
\$ -	\$ -	\$ -	\$ -	Taxes:
-	-	-	-	Other taxes
-	-	-	-	Intergovernmental
-	-	-	-	Fees and charges for services
21	1,068	187	1,853	Use of money and property
-	-	114	-	Miscellaneous
<u>21</u>	<u>1,068</u>	<u>301</u>	<u>1,853</u>	Total Revenues
				Expenditures
				Current:
5,186	-	-	-	General government
-	-	-	-	Public safety
-	-	-	-	Community development
-	-	510	-	Community and cultural
-	-	-	-	Public works
-	-	-	-	Capital outlay
-	-	-	-	Debt service:
53,676	-	-	-	Principal retirement
1,009,869	-	-	-	Interest and fiscal charges
<u>1,068,731</u>	<u>-</u>	<u>510</u>	<u>-</u>	Total Expenditures
				Excess (Deficiency) of Revenues
<u>(1,068,710)</u>	<u>1,068</u>	<u>(209)</u>	<u>1,853</u>	Over (Under) Expenditures
				Other Financing Sources (Uses)
1,066,000	-	-	-	Transfers in
-	-	-	-	Transfers out
-	-	-	-	Contributions from Successor Agency
<u>1,066,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total other financing sources (uses)
<u>(2,710)</u>	<u>1,068</u>	<u>(209)</u>	<u>1,853</u>	Net Change in Fund Balances
				Fund Balances
6,021,837	62,214	11,368	107,851	Beginning of year
<u>\$ 6,019,127</u>	<u>\$ 63,282</u>	<u>\$ 11,159</u>	<u>\$ 109,704</u>	End of year

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2016

	<u>Permanent Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>NPDES Endowment</u>	<u>Cultural Preservation</u>	
Revenues			
Taxes:			
Other taxes	\$ -	\$ -	\$ 141,617
Intergovernmental	-	-	24,507,923
Fees and charges for services	-	-	1,721,013
Use of money and property	556	2,040	109,022
Miscellaneous	-	-	1,072,587
Total Revenues	<u>556</u>	<u>2,040</u>	<u>27,552,163</u>
Expenditures			
Current:			
General government	-	-	769,229
Public safety	-	-	738,079
Community development	-	-	1,380,143
Community and cultural	-	-	7,386,797
Public works	-	-	7,636,486
Capital outlay	-	-	15,863,252
Debt service:			-
Principal retirement	-	-	3,092,176
Interest and fiscal charges	-	-	2,950,685
Total Expenditures	<u>-</u>	<u>-</u>	<u>39,816,847</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>556</u>	<u>2,040</u>	<u>(12,264,684)</u>
Other Financing Sources (Uses)			
Transfers in	-	-	6,157,296
Transfers out	(223)	-	(2,484,141)
Contributions from Successor Agency	-	-	1,620,000
Total other financing sources (uses)	<u>(223)</u>	<u>-</u>	<u>5,293,155</u>
Net Change in Fund Balances	<u>333</u>	<u>2,040</u>	<u>(6,971,529)</u>
Fund Balances			
Beginning of year	<u>32,457</u>	<u>118,707</u>	<u>43,468,296</u>
End of year	<u>\$ 32,790</u>	<u>\$ 120,747</u>	<u>\$ 36,496,767</u>



City of Moreno Valley, California

**Budgetary Comparison Schedule
State Gasoline Tax
Year Ended June 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,292,910	\$ 4,292,910	\$ 4,319,726	\$ 26,816
Use of money and property	1,000	1,000	-	(1,000)
Fees and charges for services	-	-	5,505	5,505
Miscellaneous	1,000	1,000	4,669	3,669
Total Revenues	4,294,910	4,294,910	4,329,901	34,991
Expenditures:				
Current:				
Public works	4,086,467	4,386,821	4,208,561	178,260
Capital outlay	-	-	36,450	(36,450)
Total Expenditures	4,086,467	4,386,821	4,245,011	141,810
Excess (Deficiency) of Revenues Over (Under) Expenditures	208,443	(91,911)	84,890	176,801
Other Financing Sources (Uses):				
Transfers in	160,000	160,000	160,000	-
Transfers out	(50,000)	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	110,000	110,000	110,000	-
Net Change in Fund Balances	318,443	18,089	194,890	176,801
Fund Balance, Beginning of year	(194,890)	(194,890)	(194,890)	-
Fund Balance, End of year	\$ 123,553	\$ (176,801)	\$ -	\$ 176,801

City of Moreno Valley, California
Budgetary Comparison Schedule
Article 3 Transportation
Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 250,000	\$ 315,000	\$ 32,821	\$ (282,179)
Total Revenues	250,000	315,000	32,821	(282,179)
Expenditures:				
Capital outlay	-	315,000	32,821	282,179
Total Expenditures	-	315,000	32,821	282,179
Excess (Deficiency) of Revenues Over (Under) Expenditures	250,000	-	-	-
Net Change in Fund Balances	250,000	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ 250,000	\$ -	\$ -	\$ -

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

**Budgetary Comparison Schedule
Measure A
Year Ended June 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Intergovernmental	\$ 3,694,000	\$ 8,995,899	\$ 5,051,521	\$ (3,944,378)
Use of money and property	105,000	105,000	80,681	(24,319)
Fees and charges for services	-	-	9,220	9,220
Miscellaneous	11,500	11,500	35,710	24,210
Total Revenues	3,810,500	9,112,399	5,177,132	(3,935,267)
Expenditures:				
Current:				
Public works	2,116,356	1,843,418	1,581,072	262,346
Capital outlay	1,582,000	9,308,509	2,177,126	7,131,383
Total Expenditures	3,708,956	11,151,927	3,758,198	7,393,729
Excess (Deficiency) of Revenues Over (Under) Expenditures	101,544	(2,039,528)	1,418,934	3,458,462
Other Financing Sources (Uses):				
Transfers in	-	86,414	-	(86,414)
Transfers out	(2,083,000)	(2,083,000)	(2,090,303)	(7,303)
Total Other Financing Sources (Uses)	(2,083,000)	(1,996,586)	(2,090,303)	(93,717)
Net Change in Fund Balances	(1,981,456)	(4,036,114)	(671,369)	3,364,745
Fund Balance, Beginning of year	8,387,735	8,387,735	8,387,735	-
Fund Balance, End of year	\$ 6,406,279	\$4,351,621	\$7,716,366	\$ 3,364,745

City of Moreno Valley, California
Budgetary Comparison Schedule
Law Enforcement Grants
Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 325,000	\$ 483,994	\$ 449,813	\$ (34,181)
Total Revenues	325,000	483,994	449,813	(34,181)
Expenditures:				
Current:				
Public safety	325,000	483,994	449,813	34,181
Total Expenditures	325,000	483,994	449,813	34,181
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
Other Grants
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 526,324	\$ 1,510,520	\$ 526,270	\$ (984,250)
Total Revenues	526,324	1,510,520	526,270	(984,250)
Expenditures:				
Current:				
General government	-	19,942	16,779	3,163
Public safety	275,700	305,009	162,405	142,604
Community development	195,624	486,794	132,601	354,193
Community and cultural	-	643,775	8,175	635,600
Public works	55,000	55,000	38,382	16,618
Capital outlay	-	-	167,928	(167,928)
Total Expenditures	526,324	1,510,520	526,270	984,250
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
Public Education Government Access
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Miscellaneous	\$ 565,000	\$ 565,000	\$ 598,352	\$ 33,352
Total Revenues	<u>565,000</u>	<u>565,000</u>	<u>598,352</u>	<u>33,352</u>
Expenditures:				
Current:				
General government	652,840	666,340	657,976	8,364
Capital outlay	-	-	5,820	(5,820)
Total Expenditures	<u>652,840</u>	<u>666,340</u>	<u>663,796</u>	<u>2,544</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(87,840)</u>	<u>(101,340)</u>	<u>(65,444)</u>	<u>35,896</u>
Net Change in Fund Balances	(87,840)	(101,340)	(65,444)	35,896
Fund Balance, Beginning of year	<u>1,611,127</u>	<u>1,611,127</u>	<u>1,611,127</u>	<u>-</u>
Fund Balance, End of year	<u><u>\$1,523,287</u></u>	<u><u>\$1,509,787</u></u>	<u><u>\$1,545,683</u></u>	<u><u>\$ 35,896</u></u>

City of Moreno Valley, California

**Budgetary Comparison Schedule
Air Quality Management
Year Ended June 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 220,000	\$ 220,000	\$ 250,806	\$ 30,806
Fees and charges for services	-	-	23,597	23,597
Use of money and property	7,000	7,000	622	(6,378)
Total Revenues	227,000	227,000	275,025	48,025
Expenditures:				
Current:				
Public works	202,372	202,372	198,125	4,247
Capital outlay	30,000	94,069	77,589	16,480
Total Expenditures	232,372	296,441	275,714	20,727
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,372)	(69,441)	(689)	68,752
Net Change in Fund Balances	(5,372)	(69,441)	(689)	68,752
Fund Balance, Beginning of year	147,613	147,613	147,613	-
Fund Balance, End of year	\$ 142,241	\$ 78,172	\$ 146,924	\$ 68,752

City of Moreno Valley, California
Budgetary Comparison Schedule
Community Development Block Grant
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 2,280,484	\$ 3,558,619	\$ 2,539,555	\$ (1,019,064)
Total Revenues	<u>2,280,484</u>	<u>3,558,619</u>	<u>2,539,555</u>	<u>(1,019,064)</u>
Expenditures:				
Current:				
Public safety	-	125,000	124,666	334
Community development	1,438,465	1,189,895	744,053	445,842
Capital outlay	840,000	2,243,724	1,670,836	572,888
Total Expenditures	<u>2,278,465</u>	<u>3,558,619</u>	<u>2,539,555</u>	<u>1,019,064</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,019</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	2,019	-	-	-
Fund Balance, Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 2,019</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Moreno Valley, California

**Budgetary Comparison
Special Districts Administration
Year Ended June 30, 2016**

	Budget Amounts		Actual Amounts	Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fees and charges for services	\$ 679,449	\$ 682,121	\$ 705,915	\$ 23,794
Use of money and property	(1,000)	(1,000)	10,484	11,484
Total Revenues	678,449	681,121	716,399	35,278
Expenditures:				
Current:				
Public works	850,949	836,749	577,346	259,403
Total Expenditures	850,949	836,749	577,346	259,403
Excess (Deficiency) of Revenues Over (Under) Expenditures	(172,500)	(155,628)	139,053	294,681
Net Change in Fund Balances	(172,500)	(155,628)	139,053	294,681
Fund Balance, Beginning of year	1,050,341	1,050,341	1,050,341	-
Fund Balance, End of year	\$ 877,841	\$ 894,713	\$1,189,394	\$ 294,681

City of Moreno Valley, California

**Budgetary Comparison Schedule
Storm Water Management
Year Ended June 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fees and charges for services	\$ 714,940	\$ 714,940	\$ 615,888	\$ (99,052)
Total Revenues	714,940	714,940	615,888	(99,052)
Expenditures:				
Current:				
Public works	641,132	641,132	447,402	193,730
Total Expenditures	641,132	641,132	447,402	193,730
Excess (Deficiency) of Revenues Over (Under) Expenditures	73,808	73,808	168,486	94,678
Other Financing Sources (Uses):				
Transfers in	223	223	223	-
Total Other Financing Sources (Uses)	223	223	223	-
Net Change in Fund Balances	74,031	74,031	168,709	94,678
Fund Balance, Beginning of year	538,908	538,908	538,908	-
Fund Balance, End of year	\$ 612,939	\$ 612,939	\$707,617	\$ 94,678

City of Moreno Valley, California
Budgetary Comparison Schedule
HOME
Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 516,846	\$ 1,816,846	\$ 142,590	\$ (1,674,256)
Total Revenues	516,846	1,816,846	142,590	(1,674,256)
Expenditures:				
Current:				
Community development	516,846	1,816,846	457,149	1,359,697
Total Expenditures	516,846	1,816,846	457,149	1,359,697
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(314,559)	(314,559)
Net Change in Fund Balances	-	-	(314,559)	(314,559)
Fund Balance, Beginning of year	6,213,819	6,213,819	6,213,819	-
Fund Balance, End of year	\$6,213,819	\$6,213,819	\$ 5,899,260	\$ (314,559)

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
Child Care Grant
Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 627,054	\$ 665,386	\$ 626,967	\$ (38,419)
Charges for services	20,000	20,000	14,572	(5,428)
Miscellaneous	-	-	729	729
Total Revenues	647,054	685,386	642,268	(43,118)
Expenditures:				
Current:				
Community and cultural	647,054	685,386	642,268	43,118
Total Expenditures	647,054	685,386	642,268	43,118
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
Used Oil Recycling
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Intergovernmental	\$ 52,583	\$ 51,525	\$ 51,803	\$ 278
Total Revenues	<u>52,583</u>	<u>51,525</u>	<u>51,803</u>	<u>278</u>
Expenditures:				
Current:				
Public works	52,583	51,525	51,803	(278)
Total Expenditures	<u>52,583</u>	<u>51,525</u>	<u>51,803</u>	<u>(278)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

**Budgetary Comparison Schedule
Storm Water Maintenance
Year Ended June 30, 2016**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees and charges for services	\$ 390,000	\$ 390,000	\$ 299,542	\$ (90,458)
Total Revenues	390,000	390,000	299,542	(90,458)
Expenditures:				
Current:				
Public works	396,764	396,764	305,340	91,424
Total Expenditures	396,764	396,764	305,340	91,424
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,764)	(6,764)	(5,798)	966
Other Financing Sources (Uses):				
Transfers in	50,000	50,000	50,000	-
Total Other Financing Sources (Uses)	50,000	50,000	50,000	-
Net Change in Fund Balances	43,236	43,236	44,202	966
Fund Balance, Beginning of year	35,404	35,404	35,404	-
Fund Balance, End of year	\$ 78,640	\$ 78,640	\$ 79,606	\$ 966

City of Moreno Valley, California
Budgetary Comparison Schedule
ASES Program Grants
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 6,773,200	\$ 6,734,556	\$ 6,734,556	\$ -
Use of money and property	5,000	5,000	-	(5,000)
Miscellaneous	-	-	21,131	21,131
Total Revenues	<u>6,778,200</u>	<u>6,739,556</u>	<u>6,755,687</u>	<u>16,131</u>
Expenditures:				
Current:				
Community and cultural	6,778,200	6,733,300	6,735,844	(2,544)
Total Expenditures	<u>6,778,200</u>	<u>6,733,300</u>	<u>6,735,844</u>	<u>(2,544)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	6,256	19,843	13,587
Net Change in Fund Balances	-	6,256	19,843	13,587
Fund Balance, Beginning of year	15,630	15,630	15,630	-
Fund Balance, End of year	<u>\$ 15,630</u>	<u>\$ 21,886</u>	<u>\$ 35,473</u>	<u>\$ 13,587</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

Budgetary Comparison Schedule
 CFD No. 2014-01
 Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Other taxes	\$ 40,000	\$ 27,500	\$27,547	\$ 47
Fees and charges for services	1,000	1,000	11,560	10,560
Use of money and property	100	100	528	428
Total Revenues	41,100	28,600	39,635	11,035
Expenditures:				
Current:				
Public works	14,811	14,911	6,860	8,051
Total Expenditures	14,811	14,911	6,860	8,051
Excess (Deficiency) of Revenues Over (Under) Expenditures	26,289	13,689	32,775	19,086
Net Change in Fund Balances	26,289	13,689	32,775	19,086
Fund Balance, Beginning of year	38,192	38,192	38,192	-
Fund Balance, End of year	\$ 64,481	\$ 51,881	\$70,967	\$ 19,086

City of Moreno Valley, California
Budgetary Comparison Schedule
CFD No. 4-M
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees and charges for services	\$ 41,400	\$ 41,400	\$ 33,978	\$ (7,422)
Use of money and property	81	81	1,285	1,204
Total Revenues	41,481	41,481	35,263	(6,218)
Expenditures:				
Current:				
Public works	33,815	33,815	28,063	5,752
Total Expenditures	33,815	33,815	28,063	5,752
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,666	7,666	7,200	(466)
Net Change in Fund Balances	7,666	7,666	7,200	(466)
Fund Balance, Beginning of year	74,065	74,065	74,065	-
Fund Balance, End of year	\$ 81,731	\$ 81,731	\$ 81,265	\$ (466)

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
Civil Penalties
Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 4,000	\$ 4,000	\$ -	\$ (4,000)
Miscellaneous	60,000	60,000	11,008	(48,992)
Total Revenues	64,000	64,000	11,008	(52,992)
Expenditures:				
Current:				
General government	103,324	103,324	86,616	16,708
Total Expenditures	103,324	103,324	86,616	16,708
Excess (Deficiency) of Revenues Over (Under) Expenditures	(39,324)	(39,324)	(75,608)	(36,284)
Net Change in Fund Balances	(39,324)	(39,324)	(75,608)	(36,284)
Fund Balance, Beginning of year	197,183	197,183	197,183	-
Fund Balance, End of year	\$ 157,859	\$ 157,859	\$121,575	\$ (36,284)

City of Moreno Valley, California
Budgetary Comparison Schedule
Emergency Services Agency Fines
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 40,000	\$ 40,000	\$ 82,253	\$ 42,253
Use of money and property	4,000	4,000	6,743	2,743
Total Revenues	44,000	44,000	88,996	44,996
Expenditures:				
Current:				
Public safety	44,000	44,000	1,195	42,805
Total Expenditures	44,000	44,000	1,195	42,805
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	87,801	87,801
Net Change in Fund Balances	-	-	87,801	87,801
Fund Balance, Beginning of year	385,481	385,481	385,481	-
Fund Balance, End of year	\$ 385,481	\$ 385,481	\$ 473,282	\$ 87,801

City of Moreno Valley, California
Budgetary Comparison Schedule
Energy Efficiency Revolving
Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ 21,400	\$ 21,986	\$ 586
Total Revenues	-	21,400	21,986	586
Excess (Deficiency) of Revenues Over (Under) Expenditures, California	-	21,400	21,986	586
Net Change in Fund Balances	-	21,400	21,986	586
Fund Balance, Beginning of year	101,963	101,963	101,963	-
Fund Balance, End of year	\$ 101,963	\$ 123,363	\$ 123,949	\$ 586

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
Grants Capital Projects
Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,747,840	\$ 18,675,302	\$ 1,142,200	\$ (17,533,102)
Total Revenues	5,747,840	18,675,302	1,142,200	(17,533,102)
Expenditures:				
Current:				
Community development	-	53,000	46,340	6,660
Capital outlay	-	13,666,424	1,358,586	12,307,838
Total Expenditures	-	13,719,424	1,404,926	12,314,498
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,747,840	4,955,878	(262,726)	(5,218,604)
Net Change in Fund Balances	5,747,840	4,955,878	(262,726)	(5,218,604)
Fund Balance, Beginning of year	1,062,143	1,062,143	1,062,143	-
Fund Balance, End of year	\$ 6,809,983	\$ 6,018,021	\$ 799,417	\$ (5,218,604)

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

**Budgetary Comparison Schedule
Public Works Capital Projects
Year Ended June 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,453,420	\$ 5,382,970	\$ 994,626	\$ (4,388,344)
Fees anc charges for services	-	-	1,236	1,236
Miscellaneous	-	-	347,672	347,672
Total Revenues	3,453,420	5,382,970	1,343,534	(4,039,436)
Expenditures:				
Capital outlay	472,754	5,072,422	1,188,303	3,884,119
Total Expenditures	472,754	5,072,422	1,188,303	3,884,119
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,980,666	310,548	155,231	(155,317)
Other Financing Sources (Uses):				
Transfers in	-	11,001	11,001	-
Total Other Financing Sources (Uses)	-	11,001	11,001	-
Net Change in Fund Balances	2,980,666	321,549	166,232	(155,317)
Fund Balance, Beginning of year	999,960	999,960	999,960	-
Fund Balance, End of year	\$3,980,626	\$1,321,509	\$1,166,192	\$ (155,317)

City of Moreno Valley, California

**Budgetary Comparison Schedule
Fire Services Capital Projects
Year Ended June 30, 2016**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Capital outlay	\$ -	\$ 100,642	\$ 98,242	2,400
Total Expenditures	-	100,642	98,242	2,400
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(100,642)	(98,242)	2,400
Other Financing Sources (Uses):				
Transfers in	-	176,500	176,500	-
Total Other Financing Sources (Uses)	-	176,500	176,500	-
Net Change in Fund Balances	-	75,858	78,258	2,400
Fund Balance, Beginning of year	(15,374)	(15,374)	(15,374)	-
Fund Balance, End of year	\$ (15,374)	\$ 60,484	\$ 62,884	\$ 2,400

City of Moreno Valley, California
Budgetary Comparison Schedule
Towngate Capital / Administration
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Public works	\$ 180,500	\$ 180,500	\$ 177,430	\$ 3,070
Total Expenditures	180,500	180,500	177,430	3,070
Excess (Deficiency) of Revenues Over (Under) Expenditures	(180,500)	(180,500)	(177,430)	3,070
Other Financing Sources (Uses):				
Transfers in	180,500	180,500	177,430	(3,070)
Total Other Financing Sources (Uses)	180,500	180,500	177,430	(3,070)
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
Warner Ranch Capital Development
Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
General government	\$ -	\$ 2,672	\$ 2,672	-
Total Expenditures	<u>-</u>	<u>2,672</u>	<u>2,672</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(2,672)</u>	<u>(2,672)</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfers out	-	(11,001)	(11,001)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(11,001)</u>	<u>(11,001)</u>	<u>-</u>
Net Change in Fund Balances	-	(13,673)	(13,673)	-
Fund Balance, Beginning of year	13,673	13,673	13,673	-
Fund Balance, End of year	<u>\$ 13,673</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
Parks and Community Services Capital Projects
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Capital outlay	\$ 1,035,000	\$ 2,582,031	\$ 660,907	\$ 1,921,124
Total Expenditures	<u>1,035,000</u>	<u>2,582,031</u>	<u>660,907</u>	<u>1,921,124</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,035,000)	(2,582,031)	(660,907)	1,921,124
Other Financing Sources (Uses):				
Transfers in	1,035,000	1,035,000	1,035,000	-
Transfers out	(268,760)	(268,760)	(155,184)	113,576
Total Other Financing Sources (Uses)	<u>766,240</u>	<u>766,240</u>	<u>879,816</u>	<u>113,576</u>
Net Change in Fund Balances	(268,760)	(1,815,791)	218,909	2,034,700
Fund Balance, Beginning of year	4,197,290	4,197,290	4,197,290	-
Fund Balance, End of year	<u>\$3,928,530</u>	<u>\$ 2,381,499</u>	<u>\$ 4,416,199</u>	<u>\$ 2,034,700</u>

City of Moreno Valley, California
Budgetary Comparison Schedule
TUMF Capital Projects
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 2,650,000	\$ 2,650,000	\$ 1,530,577	\$ (1,119,423)
Total Revenues	<u>2,650,000</u>	<u>2,650,000</u>	<u>1,530,577</u>	<u>(1,119,423)</u>
Expenditures:				
Capital outlay	300,000	1,864,667	1,415,343	449,324
Total Expenditures	<u>300,000</u>	<u>1,864,667</u>	<u>1,415,343</u>	<u>449,324</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,350,000</u>	<u>785,333</u>	<u>115,234</u>	<u>(670,099)</u>
Fund Balance, Beginning of year	<u>(237,364)</u>	<u>(237,364)</u>	<u>(237,364)</u>	<u>-</u>
Fund Balance, End of year	<u><u>\$2,112,636</u></u>	<u><u>\$ 547,969</u></u>	<u><u>\$ (122,130)</u></u>	<u><u>\$ (670,099)</u></u>

City of Moreno Valley, California
Budgetary Comparison Schedule
DIF Capital Projects
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 31,839	\$ 31,839
Miscellaneous	500	500	24,711	24,211
Total Revenues	500	500	56,550	56,050
Expenditures:				
Capital outlay	120,000	1,491,422	498,142	993,280
Total Expenditures	120,000	1,491,422	498,142	993,280
Excess (Deficiency) of Revenues Over (Under) Expenditures	(119,500)	(1,490,922)	(441,592)	1,049,330
Other Financing Sources (Uses):				
Transfers in	120,000	120,000	2,145	(117,855)
Total Other Financing Sources (Uses)	120,000	120,000	2,145	(117,855)
Net Change in Fund Balances	500	(1,370,922)	(439,447)	931,475
Fund Balance, Beginning of year	1,491,208	1,491,208	1,491,208	-
Fund Balance, End of year	\$1,491,708	\$ 120,286	\$1,051,761	\$ 931,475

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

**Budgetary Comparison Schedule
TRIP Capital Projects
Year Ended June 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 2,042	\$ 2,042
Miscellaneous	-	-	6,505	6,505
Total Revenues	-	-	8,547	8,547
Expenditures:				
Capital outlay	14,870	7,183,614	6,475,159	708,455
Total Expenditures	14,870	7,183,614	6,475,159	708,455
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,870)	(7,183,614)	(6,466,612)	717,002
Net Change in Fund Balances	(14,870)	(7,183,614)	(6,466,612)	717,002
Fund Balance, Beginning of year	7,184,492	7,184,492	7,184,492	-
Fund Balance, End of year	\$7,169,622	\$ 878	\$ 717,880	\$ 717,002

City of Moreno Valley, California
Budgetary Comparison Schedule
2007 Towngate Improvement Refunding
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Other taxes	\$ 114,500	\$ 114,500	\$ 114,070	\$ (430)
Use of money and property	100	100	178	78
Contributions from Successor Agency	280,000	280,000	280,000	-
Total Revenues	<u>394,600</u>	<u>394,600</u>	<u>394,248</u>	<u>(352)</u>
Expenditures:				
Debt service:				
Principal retirement	240,000	240,000	240,000	-
Interest and fiscal charges	115,800	115,800	115,739	61
Total Expenditures	<u>355,800</u>	<u>355,800</u>	<u>355,739</u>	<u>61</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>38,800</u>	<u>38,800</u>	<u>38,509</u>	<u>(291)</u>
Other Financing Sources (Uses):				
Transfers out	(33,900)	(33,900)	(31,366)	2,534
Total Other Financing Sources (Uses)	<u>(33,900)</u>	<u>(33,900)</u>	<u>(31,366)</u>	<u>2,534</u>
Net Change in Fund Balances	4,900	4,900	7,143	2,243
Fund Balance, Beginning of year	<u>853,158</u>	<u>853,158</u>	<u>853,158</u>	<u>-</u>
Fund Balance, End of year	<u><u>\$ 858,058</u></u>	<u><u>\$ 858,058</u></u>	<u><u>860,301</u></u>	<u><u>\$ 2,243</u></u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

**Budgetary Comparison Schedule
2007 Towngate Refunding
Year Ended June 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 300	\$ 300	\$ 677	\$ 377
Contributions from Successor Agency	1,190,000	1,190,000	1,190,000	-
Total Revenues	1,190,300	1,190,300	1,190,677	377
Expenditures:				
Debt service:				
Principal retirement	760,000	760,000	760,000	-
Interest and fiscal charges	253,400	253,400	253,381	19
Total Expenditures	1,013,400	1,013,400	1,013,381	19
Excess (Deficiency) of Revenues Over (Under) Expenditures	176,900	176,900	177,296	396
Other Financing Sources (Uses):				
Transfers out	(146,600)	(146,600)	(146,064)	536
Total Other Financing Sources (Uses)	(146,600)	(146,600)	(146,064)	536
Net Change in Fund Balances	30,300	30,300	31,232	932
Fund Balance, Beginning of year	2,820,883	2,820,883	2,820,883	-
Fund Balance, End of year	\$ 2,851,183	\$ 2,851,183	2,852,115	\$ 932

City of Moreno Valley, California
Budgetary Comparison Schedule
2011 Private Placement Refunding 97 Lease Revenue Bonds
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Debt service:				
Principal retirement	\$ 252,000	\$ 252,000	\$ 252,000	-
Interest and fiscal charges	88,000	88,000	87,082	918
Total Expenditures	340,000	340,000	339,082	918
Excess (Deficiency) of Revenues Over (Under) Expenditures	(340,000)	(340,000)	(339,082)	918
Other Financing Sources (Uses):				
Transfers in	190,000	190,000	189,082	(918)
Contributions from Successor Agency	150,000	150,000	150,000	-
Total Other Financing Sources (Uses)	340,000	340,000	339,082	(918)
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
2011 Private Placement Refunding 97 COPs
Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Debt service:				
Principal retirement	\$ 754,000	\$ 754,000	\$ 753,500	\$ 500
Interest and fiscal charges	34,000	34,000	33,660	340
Total Expenditures	788,000	788,000	787,160	840
Excess (Deficiency) of Revenues Over (Under) Expenditures	(788,000)	(788,000)	(787,160)	840
Other Financing Sources (Uses):				
Transfers in	788,000	788,000	787,160	(840)
Total Other Financing Sources (Uses)	788,000	788,000	787,160	(840)
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley, California

**Budgetary Comparison Schedule
TRIP COP 13A Debt Service
Year Ended June 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 42	\$ (42)
Total Revenues	<u>-</u>	<u>-</u>	<u>42</u>	<u>(42)</u>
Expenditures:				
Current:				
Public works	7,000	7,000	12,254	(5,254)
Debt service:				
Interest and fiscal charges	992,000	992,000	991,313	687
Total Expenditures	<u>999,000</u>	<u>999,000</u>	<u>1,003,567</u>	<u>(4,567)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(999,000)</u>	<u>(999,000)</u>	<u>(1,003,525)</u>	<u>(4,525)</u>
Other Financing Sources (Uses):				
Transfers in	999,000	999,000	1,006,303	7,303
Total Other Financing Sources (Uses)	<u>999,000</u>	<u>999,000</u>	<u>1,006,303</u>	<u>7,303</u>
Net Change in Fund Balances	-	-	2,778	2,778
Fund Balance, Beginning of year	-	-	-	-
Fund Balance, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,778</u>	<u>\$ 2,778</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
2013 Refunding 2005 Lease Revenue Bonds
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 15	\$ (15)
Total Revenues	<u>-</u>	<u>-</u>	<u>15</u>	<u>(15)</u>
Expenditures:				
Public works	3,300	3,300	3,848	\$ (548)
Debt service:				
Principal retirement	1,033,000	1,033,000	1,033,000	-
Interest and fiscal charges	460,000	460,000	459,641	359
Total Expenditures	<u>1,496,300</u>	<u>1,496,300</u>	<u>1,496,489</u>	<u>(189)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,496,300)</u>	<u>(1,496,300)</u>	<u>(1,496,474)</u>	<u>(174)</u>
Other Financing Sources (Uses):				
Transfers in	1,497,000	1,497,000	1,496,452	(548)
Total Other Financing Sources (Uses)	<u>1,497,000</u>	<u>1,497,000</u>	<u>1,496,452</u>	<u>(548)</u>
Net Change in Fund Balances	700	700	(22)	(722)
Fund Balance, Beginning of year	31	31	31	-
Fund Balance, End of year	<u>\$ 731</u>	<u>\$ 731</u>	<u>\$ 9</u>	<u>\$ (722)</u>

City of Moreno Valley, California
Budgetary Comparison Schedule
2014 Refunding 2005 Lease Revenue Bonds
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 21	\$ 21
Total Revenues	<u>-</u>	<u>-</u>	<u>21</u>	<u>21</u>
Expenditures:				
Current:				
General government	3,300	3,300	5,186	(1,886)
Debt service:				
Principal retirement	54,000	54,000	53,676	324
Interest and fiscal charges	1,007,000	1,007,000	1,009,869	(2,869)
Total Expenditures	<u>1,064,300</u>	<u>1,064,300</u>	<u>1,068,731</u>	<u>(2,545)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,064,300)</u>	<u>(1,064,300)</u>	<u>(1,068,710)</u>	<u>(4,410)</u>
Other Financing Sources (Uses):				
Transfers in	1,066,000	1,066,000	1,066,000	-
Total Other Financing Sources (Uses)	<u>1,066,000</u>	<u>1,066,000</u>	<u>1,066,000</u>	<u>-</u>
Net Change in Fund Balances	1,700	1,700	(2,710)	(4,410)
Fund Balance, Beginning of year	6,021,837	6,021,837	6,021,837	-
Fund Balance, End of year	<u>\$6,023,537</u>	<u>\$6,023,537</u>	<u>\$6,019,127</u>	<u>\$ (4,410)</u>

City of Moreno Valley, California
Budgetary Comparison Schedule
Celebration Park Endowment
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ 1,000	\$ 1,000	\$ 1,068	\$ 68
Total Revenues	1,000	1,000	1,068	68
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	1,000	1,068	68
Net Change in Fund Balances	1,000	1,000	1,068	68
Fund Balance, Beginning of year	62,214	62,214	62,214	-
Fund Balance, End of year	<u>63,214</u>	<u>63,214</u>	<u>63,282</u>	<u>\$ 68</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

**Budgetary Comparison Schedule
Equestrian Trail Endowment
Year Ended June 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 200	\$ 200	\$ 187	\$ (13)
Miscellaneous revenue	-	-	114	114
Total Revenues	200	200	301	(13)
Expenditures:				
Current:				
Community and cultural	200	200	510	(310)
Total Expenditures	200	200	510	(310)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(209)	(209)
Net Change in Fund Balances	-	-	(209)	(209)
Fund Balance, Beginning of year	11,368	11,368	11,368	-
Fund Balance, End of year	\$ 11,368	\$ 11,368	\$ 11,159	\$ (209)

City of Moreno Valley, California
Budgetary Comparison Schedule
Rockridge Park Endowment
Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 2,000	\$ 2,000	\$ 1,853	\$ (147)
Total Revenues	2,000	2,000	1,853	(147)
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,000	2,000	1,853	(147)
Net Change in Fund Balances	2,000	2,000	1,853	(147)
Fund Balance, Beginning of year	107,851	107,851	107,851	-
Fund Balance, End of year	\$ 109,851	\$ 109,851	\$109,704	\$ (147)

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
NPDES Endowment
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 556	\$ 556
Total Revenues	<u>-</u>	<u>-</u>	<u>556</u>	<u>556</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>556</u>	<u>556</u>
Other Financing Sources (Uses):				
Transfers out	<u>(223)</u>	<u>(223)</u>	<u>(223)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(223)</u>	<u>(223)</u>	<u>(223)</u>	<u>-</u>
Net Change in Fund Balances	(223)	(223)	333	556
Fund Balance, Beginning of year	<u>32,457</u>	<u>32,457</u>	<u>32,457</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 32,234</u>	<u>\$ 32,234</u>	<u>\$ 32,790</u>	<u>\$ 556</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Budgetary Comparison Schedule
Cultural Preservation
Year Ended June 30, 2016

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 2,040	\$ 2,040
Total Revenues	<u>-</u>	<u>-</u>	<u>2,040</u>	<u>2,040</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>2,040</u>	<u>2,040</u>
Net Change in Fund Balances	-	-	2,040	2,040
Fund Balance, Beginning of year	<u>118,707</u>	<u>118,707</u>	<u>118,707</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 118,707</u>	<u>\$ 118,707</u>	<u>\$ 120,747</u>	<u>\$ 2,040</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

INTERNAL SERVICE FUNDS

General Liability Insurance Fund

This fund is used to account for the costs of maintaining the City's general liability insurance program, on a reimbursement basis through charges to benefiting funds; and maintaining responsible reserves based on current actuarial assumptions.

Worker's Compensation Insurance Fund

This fund is used to account for the costs of maintaining the City worker's compensation insurance program, on a reimbursement basis through charges to benefiting funds; and maintaining responsible reserves based on current actuarial assumptions.

Technology Service Fund

This fund is used to account for the costs of maintaining and replacing the City's information systems including major software, hardware, radios, telephones, and the City's backbone telecommunications infrastructure. The fund recovers costs through charges to benefiting funds.

Facilities Maintenance Fund

This fund is used to account for the costs of maintaining all City-owned and leased buildings. Its user charges include the recovery of both depreciation on the City Hall building and debt service on the 1997 variable rate Certificates of Participation originally issued in 1995 to finance the acquisition of the building.

Equipment Maintenance / Fleet Operations Fund

This fund is used to account for the maintenance and replacement costs of the City's inventory of vehicles and equipment. This fund receives cash through annual lease fees to benefiting departments.

Equipment Replacement Reserve Fund

This fund is used to account for the accumulation of cash reserves to replace City vehicles and capital equipment, based on replacement cost and useful life. The reserve receives cash through user charges for each fund's share of annual depreciation; and provides cash as a funding source to participating funds for capital replacement.

Compensated Absences Fund

This fund is used to account for the accumulation of cash reserves to provide for payment of future unfunded liabilities to employees attributable to services already rendered.

City of Moreno Valley, California
Combining Statement of Net Position
Internal Service Funds
June 30, 2016

	<u>General Liability Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Technology Services</u>	<u>Facilities Maintenance</u>
Assets:				
Current:				
Pooled cash and investments	\$ 2,071,317	\$ 3,541,883	\$ 9,201,409	\$ 5,571,812
Receivables:				
Accounts	-	-	-	111
Prepaid costs	-	-	-	1,696
Inventories	-	-	-	23,787
Total Current Assets	<u>2,071,317</u>	<u>3,541,883</u>	<u>9,201,409</u>	<u>5,597,406</u>
Noncurrent:				
Capital assets - net of accumulated depreciation	-	-	2,652,284	10,063,542
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>2,652,284</u>	<u>10,063,542</u>
Total Assets	<u>2,071,317</u>	<u>3,541,883</u>	<u>11,853,693</u>	<u>15,660,948</u>
Liabilities:				
Current:				
Accounts payable	26,720	-	92,156	128,373
Compensated absences	21,783	2,623	-	119,734
Self-insurance payable	314,900	422,000	-	-
Total Current Liabilities	<u>363,403</u>	<u>424,623</u>	<u>92,156</u>	<u>248,107</u>
Noncurrent:				
Compensated absences	14,522	1,749	-	79,823
Self-insurance payable	292,760	931,000	-	-
Total Noncurrent Liabilities	<u>307,282</u>	<u>932,749</u>	<u>-</u>	<u>79,823</u>
Total Liabilities	<u>670,685</u>	<u>1,357,372</u>	<u>92,156</u>	<u>327,930</u>
Net Position:				
Investment in capital assets	-	-	2,652,284	10,063,542
Unrestricted	1,400,632	2,184,511	9,109,253	5,269,476
Total Net Position	<u>\$ 1,400,632</u>	<u>\$ 2,184,511</u>	<u>\$ 11,761,537</u>	<u>\$ 15,333,018</u>

City of Moreno Valley, California
Combining Statement of Net Position
Internal Service Funds
June 30, 2016

<u>Equipment Maintenance</u>	<u>Equipment Replacement Reserve</u>	<u>Compensated Absences</u>	<u>Total</u>	
				ASSETS
				Current:
\$ 7,913,634	\$ 13,028,163	\$ 1,633,042	\$ 42,961,260	Pooled cash and investments
-	-	-	111	Receivables:
-	-	-	1,696	Accounts
6,957	-	-	30,744	Prepaid costs
<u>7,920,591</u>	<u>13,028,163</u>	<u>1,633,042</u>	<u>42,993,811</u>	Inventories
				Total Current Assets
126,902	-	-	12,842,728	Noncurrent:
<u>126,902</u>	<u>-</u>	<u>-</u>	<u>12,842,728</u>	Capital assets - net of accumulated depreciation
<u>8,047,493</u>	<u>13,028,163</u>	<u>1,633,042</u>	<u>55,836,539</u>	Total Noncurrent Assets
				Total Assets
				Liabilities:
				Current:
67,018	-	-	314,267	Accounts payable
22,820	-	-	166,960	Compensated absences
-	-	-	736,900	Self-insurance payable
<u>89,838</u>	<u>-</u>	<u>-</u>	<u>1,218,127</u>	Total Current Liabilities
				Noncurrent:
15,213	-	-	111,307	Compensated absences
-	-	-	1,223,760	Self-insurance payable
<u>15,213</u>	<u>-</u>	<u>-</u>	<u>1,335,067</u>	Total Noncurrent Liabilities
<u>105,051</u>	<u>-</u>	<u>-</u>	<u>2,553,194</u>	Total Liabilities
				Net Position:
126,902	-	-	12,842,728	Investment in capital assets
7,815,540	13,028,163	1,633,042	40,440,617	Unrestricted
<u>\$ 7,942,442</u>	<u>\$ 13,028,163</u>	<u>\$ 1,633,042</u>	<u>\$ 53,283,345</u>	Total Net Position

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
Year Ended June 30, 2016

	<u>General Liability Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Technology Services</u>	<u>Facilities Maintenance</u>
Operating Revenues:				
Sales and service charges	\$ 1,087,090	\$ 486,739	\$ -	\$ 4,337,152
Miscellaneous	-	294,492	69,250	1,590
Total Operating Revenues	<u>1,087,090</u>	<u>781,231</u>	<u>69,250</u>	<u>4,338,742</u>
Operating Expenses:				
Cost of services	228,524	112,346	244,310	3,961,603
Depreciation expense	-	-	792,309	357,195
Self-insurance claims and charges	294,083	555,605	-	-
Total Operating Expenses	<u>522,607</u>	<u>667,951</u>	<u>1,036,619</u>	<u>4,318,798</u>
Operating Income (Loss)	<u>564,483</u>	<u>113,280</u>	<u>(967,369)</u>	<u>19,944</u>
Nonoperating Revenues (Expenses):				
Gain (loss) on disposal of capital assets	-	-	(24,608)	(13,054)
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>(24,608)</u>	<u>(13,054)</u>
Income (Loss) Before Transfers and Contributions	<u>564,483</u>	<u>113,280</u>	<u>(991,977)</u>	<u>6,890</u>
Transfers in	600,000	-	823,000	-
Transfers out	<u>-</u>	<u>(600,000)</u>	<u>-</u>	<u>(787,160)</u>
Changes in net position	<u>1,164,483</u>	<u>(486,720)</u>	<u>(168,977)</u>	<u>(780,270)</u>
Net Position:				
Beginning of year	<u>236,149</u>	<u>2,671,231</u>	<u>11,930,514</u>	<u>16,113,288</u>
End of year	<u>\$ 1,400,632</u>	<u>\$ 2,184,511</u>	<u>\$ 11,761,537</u>	<u>\$ 15,333,018</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
Year Ended June 30, 2016

Equipment Maintenance	Equipment Replacement Reserve	Compensated Absences	Total	
\$ 2,061,386	\$ 580,866	\$ -	\$ 8,553,233	Operating Revenues:
8,885	608	-	374,825	Sales and service charges
<u>2,070,271</u>	<u>581,474</u>	<u>-</u>	<u>8,928,058</u>	Miscellaneous
				Total Operating Revenues
				Operating Expenses:
1,191,311	-	-	5,738,094	Cost of services
5,676	-	-	1,155,180	Depreciation expense
-	-	-	849,688	Self-insurance claims and charges
<u>1,196,987</u>	<u>-</u>	<u>-</u>	<u>7,742,962</u>	Total Operating Expenses
873,284	581,474	-	1,185,096	Operating Income (Loss)
				Nonoperating Revenues (Expenses):
-	27,405	-	(10,257)	Gain (loss) on disposal of capital assets
<u>-</u>	<u>27,405</u>	<u>-</u>	<u>(10,257)</u>	Total Nonoperating Revenues (Expenses)
873,284	608,879	-	1,174,839	Income (Loss) Before Transfers and Contributions
7,265,977	-	-	8,688,977	Transfers in
(274,807)	(7,657,857)	-	(9,319,824)	Transfers out
7,864,454	(7,048,978)	-	543,992	Changes in net position
77,988	20,077,141	1,633,042	52,739,353	Net Position:
				Beginning of year
<u>\$ 7,942,442</u>	<u>\$ 13,028,163</u>	<u>\$ 1,633,042</u>	<u>\$ 53,283,345</u>	End of year

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2016

	General Liability Insurance	Workers' Compensation Insurance	Technology Services	Facilities Maintenance
Cash Flows from Operating Activities:				
Cash received from customers	\$ 1,087,090	\$ 781,231	\$ 69,250	\$ 4,338,742
Cash paid to suppliers for goods and services	(78,267)	(60,606)	(3,692)	(3,218,983)
Cash paid for claims	(533,423)	(572,605)	-	-
Cash paid to employees for services	(97,899)	(51,092)	(236,849)	(828,175)
Net Cash Provided (Used) by Operating Activities	377,501	96,928	(171,291)	291,584
Cash Flows from Non-Capital Financing Activities:				
Cash transfers in	600,000	-	823,000	-
Cash transfers out	-	(600,000)	-	(787,160)
Net Cash Provided (Used) by Non-capital Financing Activities	600,000	(600,000)	823,000	(787,160)
Cash Flows from Capital and Related Financing Activities:				
Proceeds from sale of capital assets	-	-	-	-
Acquisition and construction of capital assets	-	-	(288,258)	(24,730)
Net Cash Provided (Used) by Investing Activities	-	-	(288,258)	(24,730)
Net Increase (Decrease) in Cash and Cash Equivalents	977,501	(503,072)	363,451	(520,306)
Cash and Cash Equivalents at Beginning of Year	1,093,816	4,044,955	8,837,958	6,092,118
Cash and Cash Equivalents at End of Year	\$ 2,071,317	\$ 3,541,883	\$ 9,201,409	\$ 5,571,812
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ 564,483	\$ 113,280	\$ (967,369)	\$ 19,944
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	-	792,309	357,195
(Increase) decrease in accounts receivable	-	-	-	(11)
(Increase) decrease in prepaid costs	-	-	(10,055)	(1,014)
(Increase) decrease in inventories	-	-	-	(14,267)
Increase (decrease) in accounts payable	23,871	(87)	13,824	(97,888)
Increase (decrease) in self-insurance payable	(239,340)	(17,000)	-	-
Increase (decrease) in compensated absences	28,487	735	-	27,625
Total Adjustments	(186,982)	(16,352)	796,078	271,640
Net Cash Provided (Used) by Operating Activities	\$ 377,501	\$ 96,928	\$ (171,291)	\$ 291,584

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2016

Equipment Maintenance	Equipment Replacement Reserve	Compensated Absences	Total	
\$ 2,070,271	\$ 581,474	\$ -	\$ 8,928,058	Cash Flows from Operating Activities:
(692,115)	-	-	(4,053,663)	Cash received from customers
-	-	-	(1,106,028)	Cash paid to suppliers for goods and services
(442,496)	-	-	(1,656,511)	Cash paid for claims
<u>935,660</u>	<u>581,474</u>	<u>-</u>	<u>2,111,856</u>	Cash paid to employees for services
				Net Cash Provided (Used) by Operating Activities
7,265,977	-	-	8,688,977	Cash Flows from Non-Capital Financing Activities:
(274,807)	(7,657,857)	-	(9,319,824)	Cash transfers in
				Cash transfers out
<u>6,991,170</u>	<u>(7,657,857)</u>	<u>-</u>	<u>(630,847)</u>	Net Cash Provided (Used) by Non-capital Financing Activities
-	27,405	-	27,405	Cash Flows from Capital and Related Financing Activities:
(46,442)	-	-	(359,430)	Proceeds from sale of capital assets
				Acquisition and construction of capital assets
<u>(46,442)</u>	<u>27,405</u>	<u>-</u>	<u>(332,025)</u>	Net Cash Provided (Used) by Investing Activities
<u>7,880,388</u>	<u>(7,048,978)</u>	<u>-</u>	<u>1,148,984</u>	Net Increase (Decrease) in Cash and Cash Equivalents
33,246	20,077,141	1,633,042	41,812,276	Cash and Cash Equivalents at Beginning of Year
<u>\$ 7,913,634</u>	<u>\$ 13,028,163</u>	<u>\$ 1,633,042</u>	<u>\$ 42,961,260</u>	Cash and Cash Equivalents at End of Year
				Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities
\$ 873,284	\$ 581,474	\$ -	\$ 1,185,096	Operating Income (loss)
				Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:
5,676	-	-	1,155,180	Depreciation
-	-	-	(11)	(Increase) decrease in accounts receivable
-	-	-	(11,069)	(Increase) decrease in prepaid costs
(4,882)	-	-	(19,149)	(Increase) decrease in inventories
45,880	-	-	(14,400)	Increase (decrease) in accounts payable
-	-	-	(256,340)	Increase (decrease) in self-insurance payable
15,702	-	-	72,549	Increase (decrease) in compensated absences
<u>62,376</u>	<u>-</u>	<u>-</u>	<u>926,760</u>	Total Adjustments
<u>\$ 935,660</u>	<u>\$ 581,474</u>	<u>\$ -</u>	<u>\$ 2,111,856</u>	Net Cash Provided (Used) by Operating Activities

City of Moreno Valley, California

AGENCY FUNDS

Deposit Liability Fund

This fund is used to account for miscellaneous deposits collected by the City.

Assessment District 87-4 Fund

This fund is used to account for the receipt and remittance of special assessments for the Assessment District 87-4 Limited Obligation Improvement Bonds. The bonds are not secured by the general taxing power of the City, the State of California or any other political subdivision thereof, and neither the City nor the State, nor any potential subdivision thereof, has pledged its full faith and credit for the payment thereof.

TUMF Trust Fund

This fund is used to account for the receipt of the Transportation Uniform Mitigation Fees (TUMF) and their remittance to the Western Riverside Council of Governments (WRCOG).

MSHCP Trust Fund

This fund is used to account for the receipt of the Multi-Species Habitat Conservation Plan (MSHCP) fees and their remittance to the Western Riverside County Regional Authority (WRCRCA).

Moreno Valley Foundation Donations Fund

This fund is being used on a temporary basis to account for the receipts and disbursements of the Moreno Valley Community Foundation until such time that the Foundation is officially cleared by the Internal Revenue Service to become operational as a tax-exempt 501(c)3 organization.

CFD #5 Stoneridge Fund

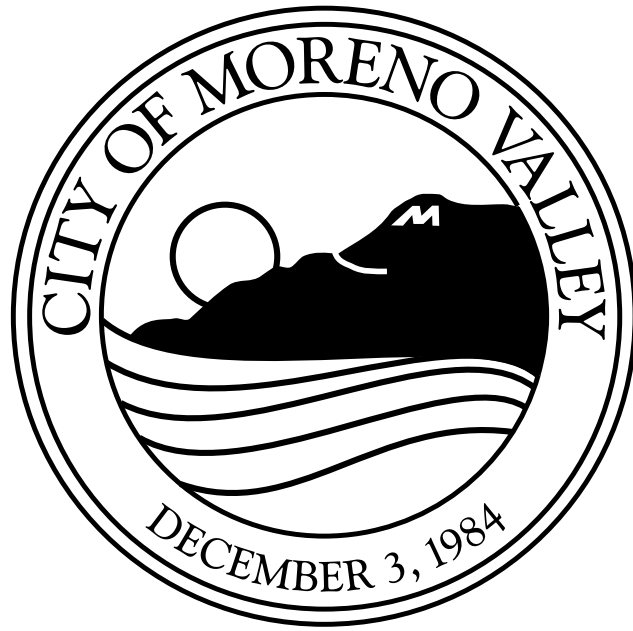
This fund is used to account for the receipt and remittance of special taxes for the CFD #5 Stoneridge Special Tax Bonds. The bonds are not secured by the general taxing power of the City, the State of California or any other political subdivision thereof, and neither the City nor the State, nor any potential subdivision thereof, has pledged its full faith and credit for the payment thereof.

Riverside County Flood Control and Water Conservation District Fund

This fund is used to account for receipt and disbursements of the District's tax increment for flood control improvement projects.

Arts Commission Fund

This fund is used to account for funds received to encourage, stimulate, promote and foster programs for the cultural enrichment of the City, thereby contributing to the quality of life of its residents. This fund also accounts for funding received to develop an awareness of the value of arts in Moreno Valley's business community, local government and the general public.



City of Moreno Valley, California

**Combining Balance Sheet
All Agency Funds
June 30, 2016**

	<u>Deposit Liability</u>	<u>Assessment District 87-4</u>	<u>TUMF Trust</u>	<u>MSHCP Trust</u>
Assets:				
Current:				
Pooled cash and investments	\$ 4,586,410	966	\$ 1,456,045	\$ 54,656
Restricted Assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	<u>\$ 4,586,410</u>	<u>\$ 966</u>	<u>\$ 1,456,045</u>	<u>\$ 54,656</u>
Liabilities:				
Current:				
Accounts payable	73,588	\$ -	\$ 1,456,045	\$ 54,656
Deposits Payable	4,512,822	-	-	-
Payable to trustee	-	966	-	-
Due to City of Moreno Valley	-	-	-	-
Total Liabilities	<u>\$ 4,586,410</u>	<u>\$ 966</u>	<u>\$ 1,456,045</u>	<u>\$ 54,656</u>

City of Moreno Valley, California

Combining Balance Sheet
All Agency Funds
June 30, 2016

<u>Moreno Valley Foundation Donations</u>	<u>CFD # 5 Stoneridge</u>	<u>Arts Commission</u>	<u>Total</u>	
\$ 221,650	\$ -	\$ 2,693	\$ 6,322,420	Assets:
-	793,858	-	793,858	Current:
<u>\$ 221,650</u>	<u>\$ 793,858</u>	<u>\$ 2,693</u>	<u>\$ 7,116,278</u>	Pooled cash and investments
				Restricted Assets:
				Cash with fiscal agents
				Total Assets
				Liabilities:
\$ -	\$ -	\$ -	\$ 1,584,289	Current:
-	-	-	4,512,822	Accounts payable
221,650	789,591	2,693	1,014,900	Deposits Payable
-	4,267	-	4,267	Payable to trustee
<u>\$ 221,650</u>	<u>\$ 793,858</u>	<u>\$ 2,693</u>	<u>\$ 7,116,278</u>	Due to City of Moreno Valley
				Total Liabilities

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California

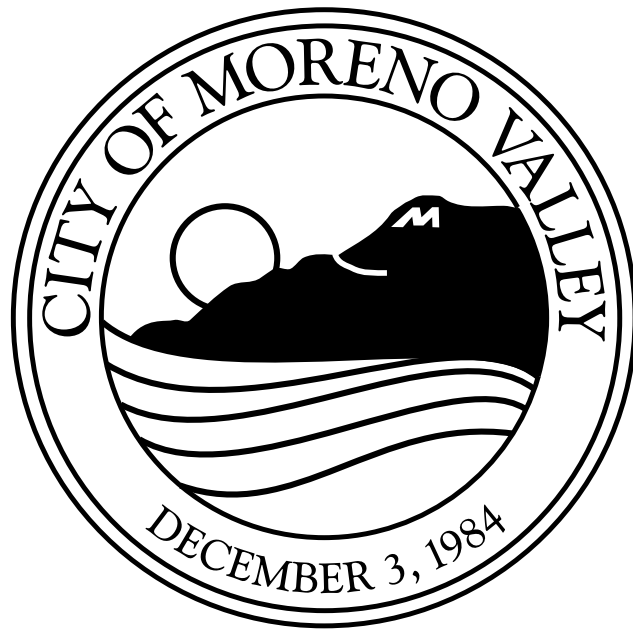
**Combining Statement of Changes in Assets and Liabilities
All Agency Funds
Year Ended June 30, 2016**

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
<u>Deposit Liability</u>				
Assets:				
Pooled cash and investments	\$ 4,497,684	1,463,861	1,375,135	\$ 4,586,410
Total Assets	\$ 4,497,684	1,463,861	1,375,135	\$ 4,586,410
Liabilities:				
Accounts payable	\$ 11,971	883,458	821,841	\$ 73,588
Deposits payable	4,485,713	1,463,861	1,436,752	4,512,822
Total Liabilities	\$ 4,497,684	2,347,319	2,258,593	\$ 4,586,410
<u>Assessment District 87-4</u>				
Assets:				
Pooled cash and investments	\$ 924	42	-	\$ 966
Due from other governments	43	-	43	-
Total Assets	\$ 967	42	43	\$ 966
Liabilities:				
Payable to trustee	\$ 967	42	43	\$ 966
Total Liabilities	\$ 967	42	43	\$ 966
<u>TUMF Trust</u>				
Assets:				
Pooled cash and investments	\$ 17,746	3,152,322	1,714,023	\$ 1,456,045
Total Assets	\$ 17,746	3,152,322	1,714,023	\$ 1,456,045
Liabilities:				
Accounts payable	\$ 17,746	6,147,055	4,708,756	\$ 1,456,045
Total Liabilities	\$ 17,746	6,147,055	4,708,756	\$ 1,456,045
<u>MSHCP Trust</u>				
Assets:				
Pooled cash and investments	\$ 470,384	436,550	852,278	\$ 54,656
Total Assets	\$ 470,384	436,550	852,278	\$ 54,656
Liabilities:				
Accounts payable	\$ 470,384	873,099	1,288,827	\$ 54,656
Total Liabilities	\$ 470,384	873,099	1,288,827	\$ 54,656

City of Moreno Valley, California

**Combining Statement of Changes in Assets and Liabilities
All Agency Funds
Year Ended June 30, 2016**

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
<u>Moreno Valley Foundation Donation</u>				
Assets:				
Pooled cash and investments	\$ 221,650	-	-	\$ 221,650
Total Assets	\$ 221,650	-	-	\$ 221,650
Liabilities:				
Payable to trustee	\$ 221,650	-	-	\$ 221,650
Total Liabilities	\$ 221,650	-	-	\$ 221,650
<u>CFD # 5 Stoneridge</u>				
Assets:				
Pooled cash and investments	\$ 22,358	437,813	460,171	\$ -
Restricted assets:				
Cash and investments with fiscal agents	758,476	406,975	371,593	793,858
Total Assets	\$ 780,834	844,788	831,764	\$ 793,858
Liabilities:				
Accounts payable	\$ -	4,450	4,450	\$ -
Payable to trustee	780,834	8,757	-	\$ 789,591
Due to general fund	-	4,267	-	\$ 4,267
Total Liabilities	\$ 780,834	17,474	4,450	\$ 793,858
<u>Riverside County Flood Control and Water Conservation District</u>				
Assets:				
Pooled cash and investments	\$ 447,054	-	447,054	\$ -
Total Assets	\$ 447,054	-	447,054	\$ -
Liabilities:				
Payable to trustee	\$ 447,054	-	447,054	\$ -
Total Liabilities	\$ 447,054	-	447,054	\$ -
<u>Arts Commission</u>				
Assets:				
Pooled cash and investments	\$ 1,341	5,587	4,235	\$ 2,693
Total Assets	\$ 1,341	5,587	4,235	\$ 2,693
Liabilities:				
Accounts payable	\$ -	813	813	\$ -
Payable to trustee	1,341	1,352	-	2,693
Total Liabilities	\$ 1,341	1,352	-	\$ 2,693
<u>Totals - All Agency Funds</u>				
Assets:				
Pooled cash and investments	\$ 5,679,141	5,496,175	4,852,896	\$ 6,322,420
Due from other governments	43	-	43	-
Restricted assets:				
Cash and investments with fiscal agents	758,476	406,975	371,593	793,858
Total Assets	\$ 6,437,660	5,903,150	5,224,532	\$ 7,116,278
Liabilities:				
Accounts payable	\$ 500,101	7,908,875	6,824,687	\$ 1,584,289
Deposits payable	4,485,713	1,463,861	1,436,752	4,512,822
Payable to trustee	1,451,846	10,151	447,097	1,014,900
Due to general funds	-	4,267	-	4,267
Total Liabilities	\$ 6,437,660	\$ 9,387,154	\$ 8,708,536	\$ 7,116,278



COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR
ENDED JUNE 30, 2016

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

STATISTICAL SECTION

This part of the City of Moreno Valley's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page #</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	188
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its key revenues.	193
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	199
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and help make comparisons over time and with other governments.	204
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	206

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented Statement 34 in 2003.

City of Moreno Valley
 Net Position by Component,
 Last ten fiscal years
 (accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net investment in capital assets	\$ 594,870,636	\$ 622,102,140	\$ 704,987,685	\$ 768,345,954	\$ 784,881,452	\$ 757,856,437	\$ 812,637,341	\$ 841,259,763	\$ 848,135,743	\$ 843,153,359
Restricted for:										
Community development projects	-	41,908,201	19,960,752	36,341,964	7,079,640	37,716,605	38,269,946	47,104,275	44,564,797	67,426,468
Community and cultural	-	8,259,181	-	8,368,534	8,968,479	10,880,981	12,219,506	13,201,156	15,490,740	17,003,008
Public safety	973,667	663,854	280,107	2,103,241	644,786	626,545	328,561	328,236	1,000,633	473,282
Public works/capital projects	66,493,508	79,745,801	71,335,816	61,365,635	109,095,517	27,654,589	40,264,691	56,388,219	43,385,566	45,945,528
Debt service	12,538,629	7,291,425	17,373,369	15,818,072	12,867,643	11,956,354	12,413,131	11,996,640	9,695,909	9,734,330
Other programs	14,863,573	3,598,110	11,731,764	2,545,781	301,868	170,051	311,702	538,101	538,908	707,617
Permanent funds-nonexpendable	62,537	64,692	66,436	169,287	170,162	188,335	191,646	328,823	332,597	337,682
Unrestricted	101,941,651	104,545,617	69,630,581	46,594,052	24,461,651	95,014,503	91,359,292	70,552,111	33,342,552	27,376,839
Total Governmental activities net position	\$ 791,744,201	\$ 868,179,021	\$ 895,366,510	\$ 941,652,520	\$ 948,471,198	\$ 942,064,400	\$ 1,007,995,816	\$ 1,041,697,324	\$ 996,487,445	\$ 1,012,158,113
Business-type activities										
Net investment in capital assets	\$ 14,130,659	\$ 14,110,399	\$ 10,083,679	\$ 12,201,754	\$ 13,942,981	\$ 8,396,845	\$ 9,052,878	\$ 9,569,296	\$ 10,903,412	\$ 13,977,670
Restricted										
Regulatory contingencies	1,604,444	948,207	1,767,402	1,158,200	1,702,037	2,520,912	3,444,969	3,903,663	3,803,242	4,605,893
Unrestricted	(634,406)	(2,252,565)	(4,023,374)	(4,520,034)	(5,623,674)	(413,445)	(652,825)	260,457	4,297,438	7,881,183
Total Business-type activities net position	\$ 15,100,697	\$ 12,806,041	\$ 7,827,707	\$ 8,839,920	\$ 10,021,344	\$ 10,504,312	\$ 11,845,022	\$ 13,733,416	\$ 19,004,092	\$ 26,464,746
Primary government										
Net investment in capital assets	\$ 609,001,295	\$ 636,212,539	\$ 715,071,364	\$ 780,547,708	\$ 798,824,433	\$ 766,253,282	\$ 821,690,219	\$ 850,829,059	\$ 859,039,155	\$ 857,131,029
Restricted for:										
Community development projects	-	41,908,201	19,960,752	36,341,964	7,079,640	37,716,605	38,269,946	47,104,275	44,564,797	67,426,468
Community and cultural	-	8,259,181	-	8,368,534	8,968,479	10,880,981	12,219,506	13,201,156	15,490,740	17,003,008
Public safety	973,667	663,854	280,107	2,103,241	644,786	626,545	328,561	328,236	1,000,633	473,282
Public works/capital projects	66,493,508	79,745,801	71,335,816	61,365,635	109,095,517	27,654,589	40,264,691	56,388,219	43,385,566	45,945,528
Debt service	12,538,629	7,291,425	17,373,369	15,818,072	12,867,643	11,956,354	12,413,131	11,996,640	9,695,909	9,734,330
Other programs	14,863,573	3,598,110	11,731,764	2,545,781	301,868	170,051	311,702	538,101	538,908	707,617
Permanent funds-nonexpendable	62,537	64,692	66,436	169,287	170,162	188,335	191,646	328,823	332,597	337,682
Regulatory contingencies	1,604,444	948,207	1,767,402	1,158,200	1,702,037	2,520,912	3,444,969	3,903,663	3,803,242	4,605,893
Unrestricted	101,307,245	102,293,052	65,607,207	42,074,018	18,837,977	94,601,058	90,706,467	70,812,568	37,639,990	35,258,022
Total primary government net position	\$ 806,844,898	\$ 880,985,062	\$ 903,194,217	\$ 950,492,440	\$ 958,492,542	\$ 952,568,712	\$ 1,019,840,838	\$ 1,055,430,740	\$ 1,015,491,537	\$ 1,038,622,859

City of Moreno Valley
Change in Net Position,
Last ten fiscal years
(accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Expenses										
Governmental activities:										
General government	\$ 10,796,963	\$ 14,416,941	\$ 14,948,628	\$ 12,093,157	\$ 13,001,340	\$ 11,326,363	\$ 11,758,206	\$ 12,081,324	\$ 26,675,932	\$ 17,250,813
Public safety	43,415,662	54,412,284	50,856,439	58,165,412	59,640,431	56,037,192	56,896,151	53,578,915	56,270,003	56,238,838
Community development	9,643,084	10,964,507	12,036,237	29,663,451	10,003,780	11,317,359	11,886,089	7,755,380	9,873,837	9,527,082
Community and cultural	21,181,096	33,717,135	27,904,884	22,700,681	25,046,848	19,245,060	18,400,148	20,615,807	20,589,032	20,910,561
Public works	30,750,411	29,247,892	36,095,949	14,990,867	34,432,579	36,159,171	39,467,695	43,540,207	29,397,062	34,772,563
Interest on long-term debt	8,724,134	12,081,884	10,334,932	9,126,054	8,333,540	6,415,304	2,552,119	4,031,673	3,338,928	3,625,887
Total Governmental activities expenses	124,511,350	154,840,643	152,177,069	146,739,622	150,458,518	140,500,449	140,960,408	141,603,306	146,144,794	142,325,744
Business-type activities:										
Electric	8,298,955	12,282,161	14,067,086	13,812,966	14,807,788	16,549,224	18,139,446	19,796,146	22,277,378	24,230,158
Total business-type activities expenses	8,298,955	12,282,161	14,067,086	13,812,966	14,807,788	16,549,224	18,139,446	19,796,146	22,277,378	24,230,158
Total primary government expenses	\$ 132,810,305	\$ 167,122,804	\$ 166,244,155	\$ 160,552,588	\$ 165,266,306	\$ 157,049,673	\$ 159,099,854	\$ 161,399,452	\$ 168,422,172	\$ 166,555,902
Program revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,994,550	\$ 1,329,861	\$ 1,144,983	\$ 3,148,712	\$ 5,008,441	\$ 7,056,028	\$ 9,505,989	\$ 5,057,964	\$ 4,996,612	\$ 6,142,310
Public safety	1,212,229	4,948,923	6,559,817	4,371,535	2,787,962	2,738,303	2,951,403	3,077,843	3,196,167	3,409,176
Community development	12,947,546	6,962,389	7,607,316	4,071,460	4,911,984	5,973,104	4,821,911	7,620,631	7,529,017	7,437,687
Community and cultural	10,963,716	12,163,575	14,982,931	11,254,752	11,237,049	11,584,756	11,343,108	6,518,337	6,292,363	4,927,785
Public works	10,612,170	19,134,172	7,840,754	2,264,619	3,364,804	1,495,407	3,109,029	2,604,218	3,245,439	3,268,761
Operating contributions and grants:										
General government	622,513	-	92,319	66,861	940,799	1,094,413	2,974,751	121,564	154,230	121,850
Public safety	931,062	704,324	385,195	1,016,552	1,009,290	988,848	796,155	687,498	4,213,573	3,954,561
Community development	4,023,295	2,873,752	2,541,925	8,909,018	5,769,165	4,028,880	9,928,414	4,972,354	2,278,546	1,225,925
Community and cultural	100,777	6,911,186	5,936,040	5,174,090	6,635,271	6,284,823	7,166,971	7,515,185	7,595,170	7,437,170
Public works	460,787	631,830	3,901,583	6,345,620	6,353,159	15,499,751	15,250,978	12,279,173	12,837,819	10,131,877
Capital contributions and grants										
General government	-	-	-	31,307	-	5,056,545	-	17,576	-	-
Public safety	-	-	-	146,606	534,771	893,608	357,393	-	-	-
Community development	-	-	-	918,785	20,180	-	-	9,729,528	16,679,953	16,440,489
Community and cultural	-	-	239,746	-	-	-	-	-	-	-
Public works	74,752,980	74,004,139	31,573,778	70,826,175	29,208,716	(270,863)	37,847,697	6,544,892	5,052,634	1,638,903
Total governmental activities program revenues	119,621,625	129,664,151	82,806,387	118,546,092	77,781,591	62,423,603	106,053,799	66,746,763	74,071,523	66,136,494
Business-type activities:										
Charges for services										
Electric	8,712,097	10,311,654	12,430,482	13,326,364	15,671,939	16,778,766	19,098,088	20,213,736	27,678,542	29,363,663
Capital contributions and grants	1,604,577	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	10,316,674	10,311,654	12,430,482	13,326,364	15,671,939	16,778,766	19,098,088	20,213,736	27,678,542	29,363,663
Total primary government program revenues	\$ 129,938,299	\$ 139,975,805	\$ 95,236,869	\$ 131,872,456	\$ 93,453,530	\$ 79,202,369	\$ 125,151,887	\$ 86,960,499	\$ 101,750,065	\$ 95,500,157

(continued)

City of Moreno Valley
 Change in Net Position,
 Last ten fiscal years
 (accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense)/Revenue										
Governmental activities	\$ (4,889,725)	\$ (25,176,492)	\$ (69,370,682)	\$ (28,193,530)	\$ (72,676,927)	\$ (78,076,846)	\$ (34,906,609)	\$ (74,856,543)	\$ (72,073,271)	\$ (76,189,250)
Business-type activities	2,017,719	(1,970,507)	(1,636,604)	(486,602)	864,151	229,542	958,642	417,590	5,401,164	5,133,505
Total primary government net (expense)/revenue	\$ (2,872,006)	\$ (27,146,999)	\$ (71,007,286)	\$ (28,680,132)	\$ (71,812,776)	\$ (77,847,304)	\$ (33,947,967)	\$ (74,438,953)	\$ (66,672,107)	\$ (71,055,745)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 23,379,735	\$ 30,351,211	\$ 28,316,208	\$ 16,836,699	\$ 22,699,683	\$ 18,342,475	\$ 13,088,911	\$ 14,281,943	\$ 15,600,436	\$ 17,009,795
Property taxes in lieu	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	13,170,964	13,414,446	13,871,754	15,137,754	16,409,009
Transient occupancy tax	586,383	593,009	497,936	535,775	692,586	747,100	831,881	991,431	1,197,143	1,416,343
Sales tax	15,701,460	13,623,654	12,163,719	10,982,811	12,277,450	14,003,993	14,043,560	15,887,129	16,130,340	18,937,738
Franchise taxes	4,349,870	4,381,882	4,876,055	4,607,594	4,888,143	5,008,507	5,147,342	5,361,531	5,885,913	5,493,936
Business license taxes	1,315,039	1,111,021	1,051,702	961,303	1,053,146	1,175,104	1,305,925	1,581,918	1,886,558	2,249,400
Utility users tax	15,463,291	15,186,616	15,081,266	15,358,341	15,317,439	15,591,386	15,683,931	15,595,141	16,138,202	15,824,481
Other taxes	6,320,978	2,620,059	2,683,193	2,278,529	1,204,064	1,155,334	1,325,025	6,467,203	6,512,910	6,529,065
Franchise in lieu taxes	78,573	96,816	120,969	132,548	150,456	168,267	189,577	194,943	278,186	293,022
Documentary transfer tax	972,995	575,003	598,084	479,208	424,931	434,554	350,413	447,103	502,822	740,120
Intergovernmental-motor vehicle in lieu, unrestricted	16,054,145	800,667	865,718	547,188	-	-	-	-	-	-
Use of property and money	13,467,580	16,380,462	9,381,199	10,850,116	5,298,098	8,708,429	2,236,328	4,718,739	3,440,087	4,774,277
Gain on sale of capital assets	-	2,575	-	-	605	-	-	-	-	-
Miscellaneous	405,679	885,602	1,787,772	1,238,641	2,784,308	469,671	1,728,104	696,377	403,609	2,182,732
Extraordinary items	-	-	-	-	-	(7,305,736)	31,492,582	26,364,076	-	-
Transfers	(75,851)	61,817	653,554	225,192	(107,841)	-	-	(904,032)	-	-
Total governmental activities	112,169,877	103,398,994	94,868,473	78,737,142	79,738,864	71,670,048	100,838,025	105,555,256	83,113,960	91,859,918
Business-type activities										
Use of property and money	-	-	-	61,428	29,540	89,183	8,848	35,249	137,947	202,544
Other	-	-	131,033	1,250,000	179,892	164,243	373,220	531,523	1,141,838	2,124,605
Transfers	75,851	(61,817)	(653,554)	(225,192)	107,841	-	-	904,032	-	-
Total business-type activities	75,851	(61,817)	(522,521)	1,086,236	317,273	253,426	382,068	1,470,804	1,279,785	2,327,149
Total primary government	\$ 112,245,728	\$ 103,337,177	\$ 94,345,952	\$ 79,823,378	\$ 80,056,137	\$ 71,923,474	\$ 101,220,093	\$ 107,026,060	\$ 84,393,745	\$ 94,187,067
Change in Net Position										
Government activities	\$ 107,280,152	\$ 78,222,502	\$ 25,497,791	\$ 50,543,612	\$ 7,061,937	\$ (6,406,798)	\$ 65,931,416	\$ 30,698,713	\$ 11,040,689	\$ 15,670,668
Business-type activities	2,093,570	(2,032,324)	(2,159,125)	599,634	1,181,424	482,968	1,340,710	1,888,394	6,680,949	7,460,654
Total primary government	\$ 109,373,722	\$ 76,190,178	\$ 23,338,666	\$ 51,143,246	\$ 8,243,361	\$ (5,923,830)	\$ 67,272,126	\$ 32,587,107	\$ 17,721,638	\$ 23,131,322

City of Moreno Valley
Fund Balances, Governmental Funds
Last ten fiscal years
(modified accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund										
Reserved	\$ 13,580,492	\$ 35,752,164	\$ 34,787,698	\$ 33,788,960	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	39,494,188	21,937,845	17,066,883	17,500,579	-	-	-	-	-	-
Nonspendable	-	-	-	-	5,716,008	5,438,306	5,497,653	9,132,415	8,388,275	8,215,977
Restricted	-	-	-	-	-	1,000,000	-	-	-	-
Committed	-	-	-	-	2,600,000	2,600,000	2,701,000	2,729,722	2,266,281	2,755,281
Assigned	-	-	-	-	1,414,860	2,613,937	646,598	1,156,993	1,115,184	3,149,038
Unassigned	-	-	-	-	36,634,651	29,814,811	25,528,774	27,536,445	31,606,163	37,001,739
Total General Fund	<u>\$ 53,074,680</u>	<u>\$ 57,690,009</u>	<u>\$ 51,854,581</u>	<u>\$ 51,289,539</u>	<u>\$ 46,365,519</u>	<u>\$ 41,467,054</u>	<u>\$ 34,374,025</u>	<u>\$ 40,555,575</u>	<u>\$ 43,375,903</u>	<u>\$ 51,122,035</u>
All Other Funds										
Reserved	\$ 49,559,718	\$ 90,143,820	\$ 86,530,127	\$ 79,688,486	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved reported in:										
Special revenue funds	48,534,518	50,516,963	42,222,678	30,378,947	-	-	-	-	-	-
Capital projects funds	36,453,807	29,300,262	27,359,094	27,373,151	-	-	-	-	-	-
Permanent funds	-	-	66,436	169,287	-	-	-	-	-	-
Nonspendable	-	-	-	-	32,582,050	35,169,140	35,479,835	6,848,083	6,351,290	5,869,254
Restricted	-	-	-	-	106,735,045	54,025,315	68,502,016	123,037,367	110,373,496	103,223,132
Committed	-	-	-	-	13,321	17,332	17,332	-	-	1,000,000
Assigned	-	-	-	-	15,151,482	19,708,984	11,130,251	-	-	-
Unassigned	-	-	-	-	(33,954,694)	(692,943)	(1,074,556)	(449,279)	(447,628)	(122,130)
Total all other funds	<u>\$ 134,548,043</u>	<u>\$ 169,961,045</u>	<u>\$ 156,178,335</u>	<u>\$ 137,609,871</u>	<u>\$ 120,527,204</u>	<u>\$ 108,227,828</u>	<u>\$ 114,054,878</u>	<u>\$ 129,436,171</u>	<u>\$ 116,277,158</u>	<u>\$ 109,970,256</u>

Notes: The City implemented GASB Statement No. 54 in fiscal year 2011.

City of Moreno Valley
 Changes in Fund Balances, Governmental Funds
 Last ten fiscal years
 (modified accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenue										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property tax	26,854,009	30,351,211	28,316,208	16,836,699	22,699,683	18,342,475	13,088,911	14,281,943	15,600,436	17,009,795
Property taxes in lieu	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	13,170,964	13,414,446	13,871,754	15,137,754	16,409,009
Utility taxes	15,463,291	15,186,616	15,081,286	15,358,341	15,317,439	15,591,386	15,683,931	15,595,141	16,138,202	15,824,481
Sales taxes	15,701,460	13,623,654	12,163,719	10,982,811	12,277,450	14,003,993	14,043,560	15,887,129	16,130,340	18,937,738
Other taxes	9,637,850	9,377,790	9,827,939	8,994,957	8,413,326	8,688,866	9,150,163	15,044,129	16,263,532	16,721,886
Licenses, fees and permits	13,552,983	2,650,530	1,930,905	1,354,188	1,532,514	1,523,800	1,585,312	2,164,753	2,020,230	2,834,449
Charges for services	25,046,576	24,745,073	21,876,389	20,182,147	21,497,689	25,480,671	27,718,832	20,229,634	21,050,766	21,193,893
Intergovernmental	16,703,254	31,497,898	32,642,154	39,049,424	27,591,342	28,993,998	38,624,704	28,810,219	32,505,519	27,463,858
Use of property and money	13,466,716	16,380,462	9,381,199	10,850,116	7,027,197	7,605,758	1,749,494	4,034,589	3,405,008	4,734,930
Fines and forfeitures	1,159,350	1,293,056	1,262,712	1,176,403	833,799	653,285	650,259	619,942	630,175	569,383
Miscellaneous/other	1,089,949	885,602	1,787,772	1,238,641	4,251,577	1,424,186	3,162,871	2,269,465	1,623,569	2,273,288
Total revenues	152,825,438	162,720,492	151,061,361	139,726,924	134,497,812	135,479,382	138,872,483	132,808,698	140,505,531	143,972,711
Expenditures										
General government	12,060,789	14,681,999	14,825,012	12,607,630	14,504,781	14,442,873	12,099,984	12,019,962	13,146,749	16,275,216
Public safety	50,276,192	56,361,973	57,866,348	58,311,716	58,152,125	54,602,358	58,393,974	53,492,051	55,248,006	55,140,221
Community development	10,116,658	18,144,115	13,895,163	15,003,855	9,061,184	10,530,127	12,374,216	7,923,409	9,883,788	9,116,820
Community and cultural	19,286,807	32,683,219	27,331,726	21,982,074	23,006,061	17,348,779	18,021,610	19,232,689	18,797,257	19,031,065
Public works	31,391,248	34,616,617	45,328,685	13,796,314	15,018,071	15,588,709	15,673,611	18,273,006	18,130,438	19,293,627
Capital outlay	-	-	-	26,269,751	23,879,656	27,709,622	45,615,380	27,212,890	28,898,279	19,586,004
Debt service										
Principal retirement	3,095,000	18,538,387	4,154,660	3,690,094	11,724,021	3,965,407	3,017,500	13,884,500	2,556,230	3,092,176
Interest and fiscal charges	8,476,750	9,213,625	10,382,080	9,198,762	8,345,084	6,250,237	2,462,481	3,284,958	3,388,158	2,950,685
Bond issuance costs	326,385	2,413,464	-	-	-	-	-	895,960	360,956	-
Total expenditures	135,029,829	186,653,399	173,783,674	160,860,196	163,690,983	150,438,112	167,658,756	156,219,425	150,409,861	144,485,814
Excess of revenues over/ (under) expenditures	17,795,609	(23,932,907)	(22,722,313)	(21,133,272)	(29,193,171)	(14,958,730)	(28,786,273)	(23,410,727)	(9,904,330)	(513,103)
Other Financing Sources (Uses)										
Issuance of debt	5,870,000	58,412,429	-	-	7,447,764	-	-	-	-	-
Transfers in	33,422,242	38,016,856	27,284,397	29,322,934	18,994,235	25,245,873	16,689,425	30,993,218	44,585,720	9,218,855
Transfers out	(30,526,931)	(36,688,115)	(24,926,511)	(26,106,962)	(19,012,256)	(25,818,899)	(15,473,618)	(30,111,368)	(44,677,294)	(8,588,009)
Contributions from Successor Agency	-	-	-	-	-	900,124	2,811,741	9,729,528	1,489,134	1,620,000
Contributions to Successor Agency	-	-	-	-	-	-	-	-	-	(298,513)
Sale of capital assets	-	442,085	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	905,166	-	-
Other debts issued	-	-	-	-	-	-	-	20,000,000	-	-
Defeased bonds	-	-	-	-	-	-	-	-	(25,940,000)	-
Refunding bonds issued	-	-	-	-	-	-	-	10,454,230	24,108,085	-
Total other financing sources (uses)	8,765,311	60,183,255	2,357,886	3,215,972	7,429,743	327,098	4,027,548	41,970,774	(434,355)	1,952,333
Extraordinary Items	-	-	-	-	-	(2,566,209)	23,492,746	-	-	-
Net change in fund balances	\$ 26,560,920	\$ 36,250,348	\$ (20,364,427)	\$ (17,917,300)	\$ (21,763,428)	\$ (17,197,841)	\$ (1,265,979)	\$ 18,560,047	\$ (10,338,685)	\$ 1,439,230
Debt service as a percentage of noncapital expenditures	10.56%	19.40%	10.65%	9.58%	14.35%	8.59%	4.39%	13.06%	5.38%	5.21%

City of Moreno Valley
 Tax Revenues by Source, General Fund
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Fiscal Year	Property	Property Tax In-Lieu of Vehicle License Fees	Utility Users	Sales & Use	Transient Occupancy	Franchise	Motor Vehicle In-Lieu	Business License Gross Receipt	Documentary Transfer	Total
2007	\$ 14,022,135	\$ 14,150,000	\$ 15,463,291	\$ 13,116,271	\$ 586,383	\$ 4,349,870	\$ 943,313	\$ 1,315,039	\$ 972,995	\$ 64,919,297
2008	14,361,253	16,728,600	15,186,616	11,694,525	593,009	4,478,698	800,667	1,111,021	575,003	65,529,392
2009	12,790,196	16,791,078	15,081,286	10,202,384	497,936	4,997,024	865,718	1,051,701	598,084	62,875,407
2010	9,917,734	13,703,197	15,358,341	9,298,296	535,775	4,757,920	547,188	961,303	479,208	55,558,962
2011	9,430,846	13,055,796	15,317,439	11,283,435	692,586	5,038,600	887,331	1,053,145	424,931	57,184,109
2012	9,397,373	13,170,964	15,591,386	14,003,992	747,100	5,176,775	96,578	1,175,104	434,554	59,793,826
2013	9,765,007	13,414,446	15,683,931	14,043,560	831,881	5,336,919	100,727	1,305,924	350,413	60,832,808
2014	10,668,782	13,871,755	15,595,141	15,887,129	991,431	5,556,474	84,056	1,581,918	447,103	64,683,789
2015	11,594,459	15,137,754	16,138,202	16,130,340	1,197,143	6,164,099	81,658	1,886,558	502,822	68,833,035
2016	12,679,455	16,409,009	15,824,481	18,937,742	1,416,343	5,786,958	80,967	2,249,400	740,120	74,124,475
Change										
2007 to 2016	-10.00%	16.00%	2.00%	44.00%	142.00%	33.00%	-91.00%	71.00%	-24.00%	14.00%

Source: City of Moreno Valley Financial and Management Services Department

City of Moreno Valley
 Key Revenues, General Fund
 Last Ten Fiscal Years

Fiscal Year	Utility Users Tax	Property Tax	Property Tax In-Lieu of VLF	Vehicle License In-Lieu Fees	Sales Tax	Property Tax In-Lieu of Sales Tax	Development Services
2007	\$ 15,463,291	\$ 14,022,135	\$ 14,150,000	\$ 943,313	\$ 9,472,304	\$ 3,643,967	\$ 12,473,161
2008	15,186,616	14,361,253	16,728,600	800,667	7,942,982	3,751,543	8,706,327
2009	15,081,286	12,790,196	16,791,078	865,718	7,135,246	3,067,138	5,510,492
2010	15,358,341	9,917,734	13,703,197	547,188	6,952,123	2,346,173	2,631,820
2011	15,317,439	9,430,846	13,055,796	887,331	8,113,635	3,169,800	2,675,770
2012	15,591,386	9,397,373	13,170,964	96,578	10,848,031	3,155,962	3,928,365
2013	15,683,931	9,765,007	13,414,446	100,727	10,523,544	3,520,016	3,586,632
2014	15,595,141	10,668,782	13,871,754	84,056	11,478,971	4,408,158	5,832,468
2015	16,138,202	11,594,459	15,137,754	81,658	12,347,660	3,782,680	5,323,881
2016	15,824,481	12,679,455	16,409,009	80,967	15,412,390	3,525,352	6,453,497

Source: City of Moreno Valley Financial and Management Services Department

City of Moreno Valley
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (in thousands of dollars)

Fiscal Year Ended June 30,	City						Redevelopment Agency **						
	Secured Value	Unsecured Value	Total Assessed and Estimated Full Value	Less: Exemptions	Taxable Assessed Value	Direct Tax Rate	Secured Value	Unsecured Value	Total Assessed and Estimated Full Value	Less: Exemptions	Taxable Assessed Value	Direct Tax Rate	Total Direct Tax Rate
2007	\$13,419,168	\$198,776	\$13,617,944	(\$147,891)	\$13,470,053	0.00140	\$2,546,327	\$109,685	\$2,656,012	(\$47,345)	\$2,608,667	0.00672	0.00226
2008	13,491,161	232,774	13,723,935	(194,693)	13,529,242	0.00143	2,788,876	137,206	2,926,082	(75,251)	2,850,831	0.00838	0.00264
2009	13,132,444	243,521	13,375,965	(154,973)	13,220,992	0.00131	2,229,290	117,596	2,346,886	(72,232)	2,274,654	0.01045	0.00265
2010	10,625,910	236,904	10,862,814	(154,289)	10,708,525	0.00160	2,391,494	154,639	2,546,133	(81,595)	2,464,538	0.00675	0.00256
2011	10,516,338	238,786	10,755,124	(227,178)	10,527,946	0.00164	2,375,549	157,430	2,532,979	(81,830)	2,451,149	0.00575	0.00242
2012	10,561,585	271,336	10,832,921	(236,235)	10,596,686	0.00258	-	-	-	-	-	-	0.00258
2013	10,646,415	342,094	10,988,509	(249,331)	10,739,178	0.00183	-	-	-	-	-	-	0.00183
2014	11,042,637	352,337	11,394,974	(264,161)	11,130,813	0.00185	-	-	-	-	-	-	0.00185
2015	12,102,252	366,400	12,468,652	(262,713)	12,205,939	0.00179	-	-	-	-	-	-	0.00179
2016	12,991,881	486,350	13,478,231	(256,756)	13,221,475	0.00173	-	-	-	-	-	-	0.00173

Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of the property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

**As of January 31, 2012 the Redevelopment Agency was dissolved due to the California Supreme Court passing two bills, AB X1 26 and AB X1 27.

Source: City of Moreno Valley Financial and Management Services Department
 County of Riverside Auditor-Controller

City of Moreno Valley
 Property Tax Rates
 Direct and Overlapping Governments
 Last Ten Fiscal Years
 (per \$100 of assessed value)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
City Direct Rate:	\$0.00140	\$0.00143	\$0.00131	\$0.00160	\$0.00164	\$0.00258	\$0.00177	\$0.00185	\$0.00179	\$0.00173
Redevelopment Agency Direct Rate:	0.00672	0.00838	0.01045	0.00675	0.00575	0.00000	0.00000	0.00000	0.00000	0.00000
Total Direct Tax Rate:	0.00226	0.00264	0.00265	0.00256	0.00242	0.00258	0.00177	0.00185	0.00179	0.00173
Eastern Municipal Water Imp Dist	0.01500	0.01500	0.00700	0.03000	0.03000	0.03000	0.03000	0.03000	0.01100	0.01100
Metro Water East 1301999 Debt Svc	0.00470	0.00450	0.00430	0.00430	0.00370	0.00370	0.00350	0.00350	0.00350	0.00350
Metro Water West 1302999 Debt Svc	0.00470	0.00450	0.00430	0.00430	0.00370	0.00370	0.00350	0.00350	0.00350	0.00350
Moreno Valley Unified School District	0.02271	0.03066	0.03081	0.02660	0.03357	0.04096	0.04060	0.04354	0.04071	0.10223
Nuview School District	0.00000	0.02998	0.02996	0.02790	0.02987	0.02988	0.04043	0.07389	0.07156	0.00000
Perris Union High School District	0.03222	0.02110	0.02031	0.02686	0.03126	0.03429	0.03429	0.06970	0.06303	0.00000
Mt. San Jacinto Jr College	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.01394
Riverside City Community College District	0.01800	0.01259	0.01254	0.01242	0.01499	0.01700	0.01702	0.01768	0.01791	0.01725
San Jacinto Unified School District	0.01407	0.07202	0.09600	0.09052	0.11744	0.12875	0.12800	0.12746	0.11866	0.11727
Val Verde Unified District	0.00000	0.00000	0.03189	0.04089	0.03347	0.03160	0.08383	0.07235	0.07882	0.07135
Total Tax Rate	\$0.12178	\$0.20280	\$0.25152	\$0.22708	\$0.30781	\$0.32504	\$0.38471	\$0.44532	\$0.41048	\$0.34177

NOTE:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of the Metropolitan Water District bonds, the Eastern Municipal Water District bonds and the Riverside Community College bonds.

Source: City of Moreno Valley Finance Department
 County of Riverside Auditor-Controller
 HdI Coren & Cone

City of Moreno Valley
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
HF Logistics SKX T1 (Sketchers)	\$ 220,979,063	1	1.67%	\$ -		0.00%
FR California Indian Avenue	168,378,744	2	1.27%	-		0.00%
Ross Dress for Less, Inc.	137,855,825	3	1.04%	45,032,063	4	0.40%
Walgreen Company	117,547,840	4	0.89%	134,927,663	1	1.19%
Golden State FC LLC	108,546,560	5	0.82%	-		0.00%
First Industrial LP	96,338,637	6	0.73%	-		0.00%
IIT Inland Empire Logistics Center	92,170,534	7	0.70%	-		0.00%
Kaiser	90,084,923	8	0.68%	-		0.00%
Stonegate 552	84,647,427	9	0.64%	-		0.00%
I 215 Logistics	83,965,386	10	0.64%	-		0.00%
Falls Apartments	-		0.00%	58,804,789	2	0.52%
Moreno Valley Properties	-		0.00%	58,658,080	3	0.52%
Homart Newco Two, Inc.	-		0.00%	40,000,000	5	0.35%
Western Pacific Housing, Inc.	-		0.00%	32,388,133	6	0.28%
Moreno Valley Plaza	-		0.00%	29,694,237	7	0.26%
Divi Divi Tree	-		0.00%	29,434,368	8	0.26%
Lasselle Place	-		0.00%	28,970,785	9	0.25%
MV Homes	-		0.00%	28,640,446	10	0.25%
	<u>\$ 1,200,514,939</u>		<u>9.08%</u>	<u>\$ 486,550,564</u>		<u>4.28%</u>

Source: Hdl Coren & Cone

City of Moreno Valley
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent years	Total Collections to Date	
		Amount	Percent of Levy (1)		Amount	Percent of Levy
2007	39,206,275	39,141,295	99.83%	64,980	39,206,275	100.00%
2008	43,561,908	43,457,010	99.76%	104,898	43,561,908	100.00%
2009	41,285,111	41,165,168	99.71%	119,943	41,285,111	100.00%
2010	35,573,656	35,492,693	99.77%	80,963	35,573,656	100.00%
2011	33,713,334	33,658,226	99.84%	55,108	33,713,334	100.00%
2012	33,226,437	33,172,713	99.84%	53,724	33,226,437	100.00%
2013	25,630,602	25,580,901	99.81% (2)	49,701	25,630,602	100.00%
2014	26,906,254	26,862,040	99.84%	44,214	26,906,254	100.00%
2015	26,455,986	26,154,116	98.86%	301,870	26,455,986	100.00%
2016	27,643,578	27,249,232	98.57%	-	27,249,232	98.57%

Notes: (1) The City began participating in the "Teeter Plan" in FY 1993-94. The Teeter Plan adopted by the County of Riverside guarantees each participating city payment equal to 100% of the total tax value. Any delinquencies and the associated penalties and interest are collected and maintained by the County.

Supplemental taxes for new construction put into service after the tax rolls are completed are collected in a county pool and then allocated to all cities based on a formula. Because these tax amounts are not included on the original tax roll these amounts are reported as collections but are not included in the amount levied.

(2) Beginning in 2013 the Redevelopment Tax Increment was no longer included in the calculation for the levy and the collections.

Source: County of Riverside Auditor-Controller
City of Moreno Valley Financial and Management Services Department

City of Moreno Valley
Direct and Overlapping Debt

Fiscal Year 2015/16 Assessed Valuation \$ 13,224,174,633

	Total Debt 6/30/2016	% Applicable(1)	City's Share of Debt 6/30/2016
OVERLAPPING TAX AND ASSESSMENT DEBT			
Metropolitan Water District	\$ 92,865,000	0.539%	\$ 500,542
Riverside County Flood Control and Water Reclamation District, Zone No.4	20,650,000	31.264	6,456,016
Eastern Municipal Water District I.D. No U-22	2,547,000	100	2,547,000
Riverside Community College District	267,357,209	14.953	39,977,923
Mount San Jacinto Community College District	70,000,000	0.028	19,600
Moreno Valley Unified School District	133,088,521	84.389	112,312,072
San Jacinto Unified School District	41,434,584	0.844	349,708
Val Verde Unified School District	107,286,488	39.287	42,149,643
Moreno Valley Unified School District Community Facilities District No. 2002-1	7,230,000	100	7,230,000
Moreno Valley Unified School District Community Facilities District No. 2003-1&2	10,835,000	100	10,835,000
Moreno Valley Unified School District Community Facilities District No. 2004-1	2,915,000	100	2,915,000
Moreno Valley Unified School District Community Facilities District No. 2004-2	5,135,000	100	5,135,000
Moreno Valley Unified School District Community Facilities District No. 2004-3	3,775,000	100	3,775,000
Moreno Valley Unified School District Community Facilities District No. 2004-4	3,855,000	100	3,855,000
Moreno Valley Unified School District Community Facilities District No. 2004-5	4,705,000	100	4,705,000
Moreno Valley Unified School District Community Facilities District No. 2004-6	25,795,000	100	25,795,000
Moreno Valley Unified School District Community Facilities District No. 2005-2, 3 & 5	23,330,000	100	23,330,000
Moreno Valley Unified School District Community Facilities District No. 2007-1	5,195,000	100	5,195,000
Val Verde Unified School District Community Facilities District No. 98-1	18,020,000	100	18,020,000
Val Verde Unified School District Community Facilities District No. 2003-2	2,830,000	100	2,830,000
Eastern Municipal Water District Community Facilities District	12,211,000	100	12,211,000
City of Moreno Valley Community Facilities District No. 5	5,605,000	100	5,605,000
City of Moreno Valley Community Facilities District No. 87-1, I.A. No. 1	2,365,000	100	2,365,000
TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 338,113,504
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Riverside County General Fund Obligations	\$ 889,831,745	5.550%	\$ 49,385,662
Riverside County Pension Obligations	304,520,000	5.550%	16,900,860
Riverside County Board of Education Certificates of Participation	935,000	5.550%	51,893
Moreno Valley Unified School District Certificates of Participation	11,640,000	84.389%	9,822,880
San Jacinto Unified School District Certificates of Participation	39,440,000	0.844%	332,874
Val Verde Unified School District Certificates of Participation	70,205,000	39.287%	27,581,438
City of Moreno Valley General Fund Obligations	70,978,000	100.000%	70,978,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			175,053,607
Less: Riverside County self-supporting obligations			346,150
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			174,707,457
City Direct Debt (City of Moreno Valley General Fund Obligations)			70,978,000
TOTAL DIRECT & OVERLAPPING DEBT			\$ 245,685,457
OVERLAPPING TAX INCREMENT DEBT:			
	\$ 77,690,000	31.460-100	\$ 56,439,173
TOTAL DIRECT DEBT			70,978,000
TOTAL GROSS OVERLAPPING DEBT			498,628,284
TOTAL NET OVERLAPPING DEBT			498,282,134
GROSS COMBINED TOTAL DEBT			569,606,284 (2)
NET COMBINED TOTAL DEBT			569,260,134

Notes:

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations

Ratios to FY 2015-16 Assessed Valuation:

Total Gross Overlapping Tax and Assessment Debt 2.56%

Ratios to Adjusted Assessed Valuation:

Total Direct Debt (\$70,978,000) 0.54%

Gross Combined Total Debt 4.31%

Net Combined Total Debt 4.30%

Ratios to Redevelopment Incremental Valuation (\$2,543,839,920):

Total Overlapping Tax Increment Debt 2.22%

AB: (\$475)

Source: California Municipal Statistics

City of Moreno Valley
 Legal Debt Margin
 Last Ten Fiscal Years
 (dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2016	\$ 13,082,108
Assessed Value	1,962,316
Debt Limit (15% of assessed value)	-
Debt applicable to limit:	-
	-
	<u>\$ -</u>

Total net debt applicable to limit

	Fiscal Year (1)									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assessed Valuation (in thousands)	\$ 11,220,188	\$ 13,374,229	\$ 13,375,965	\$ 10,862,814	\$ 10,366,869	\$ 10,462,566	\$ 10,590,832	\$ 12,199,659	\$ 12,064,572	\$ 13,082,108
Conversion percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation (in thousands)	2,805,047	3,343,557	3,343,991	2,715,704	2,591,717	2,615,642	2,647,708	3,049,915	3,016,143	3,270,527
Debt limit percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt Limit (in thousands)	420,757	501,534	501,599	407,356	388,758	392,346	397,156	457,487	452,421	490,579
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin (in thousands)	420,757	501,534	501,599	407,356	388,758	392,346	397,156	457,487	452,421	490,579
Total net debt applicable to the limit as a percentage of the debt limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

Source: City of Moreno Valley Financial and Management Services Department
 County of Riverside Auditor-Controller

City of Moreno Valley
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities					Business-type Activities		Total Primary Government	Percentage of Personal Income (2)	Debt per Capita
	(1) Special Tax Bonds	Certificates of Participation	Lease Revenue Bonds	RDA Tax Allocation Bonds	Notes and Other	Governmental Activities	Lease Revenue Bonds			
2007	\$21,415,000	\$6,590,000	\$46,890,000	-	\$4,696,689	\$79,591,689	\$30,870,000	\$110,461,689	3.67%	612
2008	18,925,000	6,040,000	46,160,000	43,495,000	4,318,513	118,938,513	30,870,000	149,808,513	4.61%	815
2009	17,265,000	5,470,001	45,205,000	42,725,000	6,849,487	117,514,488	30,775,000	148,289,488	4.48%	796
2010	15,525,000	4,875,000	44,205,000	42,605,000	6,667,850	113,877,850	30,285,000	144,162,850	4.09%	765
2011	13,655,000	- (3)	39,660,000 (3)	42,475,000	12,301,668 (3)	108,091,668	29,780,000	137,871,668	3.80%	706
2012	11,870,000	-	38,775,000	- (4)	12,405,733	63,050,733	29,245,000	92,295,733	2.70%	470
2013	10,685,000	-	37,855,000	- (4)	12,340,304	60,880,304	28,685,000	89,565,304	2.62%	452
2014	9,660,000	20,000,000	36,394,230	- (4)	11,874,411	77,928,641	27,836,607	105,765,248	2.93%	531
2015	8,700,000	20,000,000	32,486,745	- (4)	10,620,844	71,807,589	26,982,029	98,789,618	2.72%	485
2016	7,700,000	20,000,000	33,788,512	- (4)	2,838,000 (6)	64,326,512	36,743,303 (5)	101,069,815	2.78%	492

Notes:

- 1) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.
- 2) These ratios are calculated using personal income and population for the prior year.
- 3) In Fiscal Year 2011 the City defeased the 1997 Lease Revenue Bonds and the 1997 City Hall COPs with private placement financing.
- 4) No Longer considered general bonded debt as the result of the dissolution of the Redevelopment Agency.
- 5) In Fiscal Year 2016 the Moreno Valley Electric Utility issued Taxable Lease Revenue Bonds in the amount of \$10,430,000.
- 6) In Fiscal Year 2016 OPEB and Compensated Absences are not included in Notes and Other.

Source: City of Moreno Valley Financial and Management Services Department
Riverside County Economic Development Agency
State of California Department of Finance

City of Moreno Valley
Ratio of Bonded Debt
Last Nine Fiscal Years

Fiscal Year Ended June 30,	(1)	Special Tax Bonds	Certificates of Participation	Lease Revenue Bonds	Total Governmental Activities	Percent of Assessed Value (2)	Per Capita
2008		\$18,925,000	\$6,040,000	\$46,160,000	\$71,125,000	0.53%	387
2009		17,265,000	5,470,001	45,205,000	67,940,001	0.51%	365
2010		15,525,000	4,875,000	44,205,000	64,605,000	0.59%	343
2011		13,655,000	- (3)	39,660,000 (3)	53,315,000	0.50%	273
2012		11,870,000	-	38,775,000	50,645,000	0.47%	258
2013		10,685,000	-	37,855,000	48,540,000	0.45%	245
2014		9,660,000	20,000,000	36,394,230	66,054,230	0.59%	332
2015		8,700,000	20,000,000	32,486,745	61,186,745	0.50%	300
2016		7,700,000	20,000,000	33,788,512	61,488,512	0.46%	299

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which the City has none).

1) Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

2) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

3) In Fiscal Year 2011 the City defeased the 1997 Lease Revenue Bonds and the 1997 City Hall COPs with private placement financing.

Data Source: City of Moreno Valley Financial and Management Services Department
County of Riverside Auditor-Controller

Fiscal Year Ended June 30,	Community Facilities District No. 3, AutoMall Refinancing					Community Facilities District No. 5 of the City of Moreno Valley (Stoneridge)				Towngate Community Facilities District No. 87-1, 2007 Special Tax Refunding Bonds				Towngate Community Facilities District No. 87-1, Improvement No. 1 Special Tax Refunding Bonds				
	Special Tax Lewy	Property Tax Increment	Debt Service		Coverage	Special Tax Lewy	Debt Service		Coverage	Property Tax Increment	Debt Service		Coverage	Special Tax Lewy	Property Tax Increment	Debt Service		Coverage
			Principal	Interest			Principal	Interest			Principal	Interest				Principal	Interest	
2007	1,179,479	108,986	710,000	379,375	1.18	-	-	-	-	-	-	-	-	-	-	-	-	-
2008	1,088,427	190,425	785,000	327,050	1.15	198,306	-	217,261	0.91	2,072,568	-	226,176	9.16	429,990	-	-	60,994	0.00
2009	1,212,713	103,026	865,000	269,300	1.16	344,701	-	288,613	1.19	1,164,131	575,000	435,881	1.15	108,706	287,228	220,000	175,859	1.00
2010	1,173,443	185,125	950,000	205,775	1.18	362,124	15,000	288,313	1.19	373,011	600,000	409,381	0.37	78,519	303,573	190,000	168,029	1.07
2011	78,021	96,489	1,045,000	135,950	0.15	376,005	20,000	287,613	1.22	1,168,536	630,000	382,569	1.15	112,162	277,359	195,000	160,375	1.10
2012	74,137	29,292	925,000	64,688	0.10	384,249	30,000	286,613	1.21	1,175,145	655,000	359,294	1.16	115,946	274,445	205,000	152,173	1.09
2013	75,878	31,192	295,000	18,938	0.34	388,022	35,000	285,295	1.21	1,170,595	680,000	335,931	1.15	110,672	275,008	210,000	143,719	1.09
2014	-	-	105,000	3,938	0.00	393,684	45,000	283,633	1.20	1,174,345	700,000	310,906	1.16	117,164	275,007	220,000	135,009	1.10
2015	-	-	-	-	0.00	398,468	55,000	281,505	1.18	1,186,238	730,000	283,181	1.17	114,616	277,896	230,000	125,668	1.10
2016	-	-	-	-	0.00	405,862	65,000	278,893	1.18	1,190,000	760,000	253,381	1.17	114,070	280,000	240,000	115,739	1.11

Community Redevelopment Agency 2007 Tax Allocation Bonds

Fiscal Year Ended June 30,	Property Tax Increment	Debt Service		Coverage
		Principal	Interest	
2008	\$ 23,890,555	\$ -	\$ 359,683	66.42
2009	23,775,956	770,000	2,073,084	8.36
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-

Data Source: City of Moreno Valley Financial and Management Services Department
City of Moreno Valley Public Works Department

City of Moreno Valley
 Demographic and Economic Statistics
 Last eight years

Calendar Year (1)	Population	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2009	186,301	\$ 3,702,458	\$ 18,898	15.7%
2010	188,537	3,836,808	19,230	17.6%
2011	195,216	3,463,419	17,519	16.1%
2012	196,495	3,491,186	17,425	13.9%
2013	198,129	3,615,062	18,246	11.8%
2014	199,258	3,612,548	18,130	11.0%
2015	203,696	3,704,415	18,186	7.0%
2016	205,383	3,671,016	17,874	7.1%

(1) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

Data Source: California Department of Finance
www.dof.ca.gov/research/demographic

Employment Development Department
<http://www.edd.ca.gov/>

City of Moreno Valley
Principal Employers
Current Year and Nine Years Ago

Employer	Sector	Business Type	2016		2007	
			Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
March Air Reserve Base	Military/Public Sector	Military Reserve Base	8,600	9.30%	8,482	24.71%
Amazon	Fulfillment	Retail Distribution	7,500	8.11%		
Moreno Valley Unified School District	Public Sector	Public Schools	3,489	3.77%	3,519	10.25%
Riverside University Health System (formerly RCRMC)	Medical Facilities	County Hospital	2,987	3.23%	1,700	4.95%
Ross Dress for Less / dd's Discounts	Distribution	Retail Distribution	1,921	2.08%	600	1.75%
Moreno Valley Mall (excludes major tenants)	Retail	Retail Mall	1,390	1.50%	1,669	4.86%
Harbor Freight Tools	Distribution	Retail Distribution	800	0.86%		
Kaiser Permanente Community Hospital / Office	Medical Facilities	Hospital/Medical Services	789	0.85%		
Val Verde Unified School District (MV Only)	Public Sector	Public Schools	680	0.74%	721	2.10%
Walgreens	Distribution	Retail Distribution	600	0.65%		
Moreno Valley College	Public Sector	Higher Education			1,038	3.02%
City of Moreno Valley	Public Sector	Municipal Government			875	2.55%
Thor California	Manufacturing	R.V. Manufacturer			704	2.05%
Walgreens	Distribution	Retail Distribution			650	1.89%

"Total Employment" as used above represents the total employment of all employers located within City limits.

Source: City of Moreno Valley Economic Development Department
California Department of Finance

City of Moreno Valley
 Full-time and Part-time City Employees by Function
 Last Ten Fiscal Years

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government	153	150	142	150	147	125	96	93	94	91
Public Works	134	141	151	146	143	134	122	121	119	118
Community Development	74	74	72	68	59	66	59	49	51	60
Parks and Community Services	184 (2)	240	238	453	101 (3)	118	112	113	127	138
Animal Services	26	27	29	27	21	19	21	22	22	22
Redevelopment Agency	17	18	16	14	12	0	0	0	0	0
Public Safety (1)	356	383	393	415	407	407	318	286	287	284
	<u>944</u>	<u>1,033</u>	<u>1,041</u>	<u>1,273</u>	<u>890</u>	<u>869</u>	<u>728</u>	<u>684</u>	<u>700</u>	<u>713</u>

This data represents a count of people employed by the City not the number of approved full time equivalents.

(1) The City contracts with the County of Riverside for Police and Fire services.

(2) In 2007 the Parks and Community Services Department received a grant from the State of California related to the After School Education and Safety Grant. This grant resulted in an increase in staffing to achieve the grant growth objectives.

(3) In 2011 the Parks and Community Services Department received a grant from the State of California related to the After School Education and Safety Grant, however staffing for this services was contracted to an outside agency. This resulted in a large decrease in staffing.

Source: City of Moreno Valley Financial and Management Services Department

City of Moreno Valley
Capital Asset Statistics
Last Eight Fiscal Years

	Fiscal Year							
	2009	2010	2011	2012	2013	2014	2015	2016
Lane miles of streets	1,076	1,076	1,076	1,076	1,095	1,080	1,080	1,080
Number of street lights	11,037	11,046	11,260	11,358	11,381	11,449	11,512	11,620
Number of traffic signals	167	170	173	175	180	182	186	188
Fire protection:								
Number of stations	6	6	6	6	7	7	7	7
Police protection:								
Number of policing stations	1	1	1	1	1	1	1	1
Number of policing substations	4	4	4	6	6	6	2	3
Recreation and culture:								
Parks	39	37	37	37	37	37	38	38
Maintained acreage of parks	531.48	531.48	531.66	519.91	519.91	520	533	533
Parks under construction	6	6	1	1	1	1	-	-
Acreage of parks under construction	25.14	25.14	12.25	12.75	12.75	12.75	-	-
Multi-use athletic fields	21	21	21	21	21	21	24	24
Conference/Recreation centers	1	1	1	1	1	1	1	1
Square footage of recreation centers	42,413	42,413	42,413	42,413	42,413	42,413	42,413	42,800
Senior Centers	1	1	1	1	1	1	1	1
Square footage of senior centers	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700
Equestrian centers	1	1	1	1	1	1	1	1
Maintained acreage of equestrian centers	45	45	45	45	45	45	45	45
Multi-use equestrian trails maintained	10 Miles	10 Miles	10 Miles	10 Miles	10 Miles	10 Miles	10 Miles	11 Miles
Community centers	4	4	4	4	4	4	4	4
Square footage of community centers	38,758	38,758	38,758	38,758	38,758	38,758	38,758	38,758
Sports courts	24	24	24	24	24	24	24	24
Skate parks	1	1	1	1	1	1	1	1
Square footage of skate parks	1,850	1,850	1,851	1,850	1,850	1,850	1,850	1,850
Soccer Arena	0	0	0	1	1	1	1	1
Nine-hole golf courses	1	1	1	1	1	1	1	1
Play apparatus	24	26	26	26	26	26	27	27
Water play features	2	2	2	2	2	2	2	2
Utilities:								
Residential utility meters	4,802	4,904	5,003	5,028	5,091	5,202	5,260	5,365
Commercial utility meters	565	545	599	592	607	639	652	663

1) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

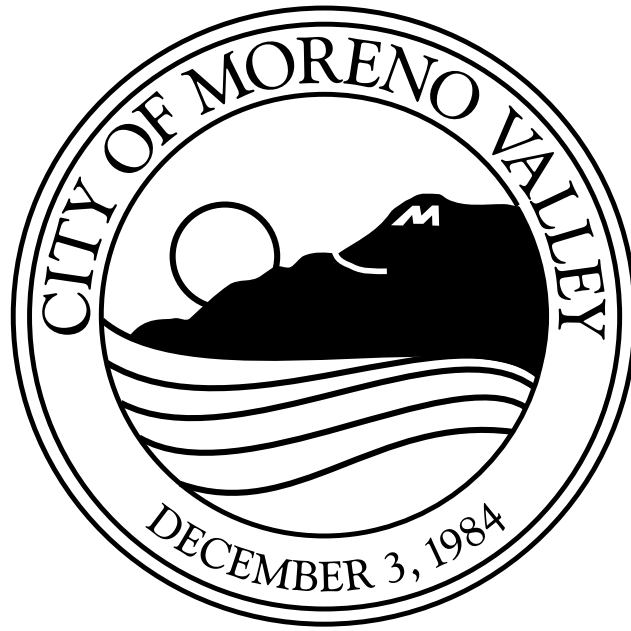
Sources: City of Moreno Valley Technology Services, Special Districts, Transportation, Fire Department, Police Department, Parks & Community Services, Utilities.

City of Moreno Valley
Operating Indicators by Function
Last Eight Fiscal Years

	Fiscal Year							
	2009	2010	2011	2012	2013	2014	2015	2016
Square mileage of area	52	52	52	52	52	52	52	52
Fire protection:								
Provided by the County of Riverside in cooperation with the State Department of Forestry and Fire:								
Sworn personnel	81	80	79	71	72	69	69	69
Volunteers	25	25	10	16	16	25	18	16
Non-sworn personnel	8	8	8	8	8	11	13	12
OEM non-sworn personnel	0	0	0	2	3	3	2	3
Responses to emergency calls	12,971	13,530	15,268	14,824	15,905	16,340	17,727	19,006
Inspections and Permits	3,522	2,369	3,383	2,304	2,400	3,251	3,445	6,382
Apartment Complex Inspections	0	0	0	849	872	1,476	1,777	1,943
Plan checks	664	424	358	786	1,218	1,646	1,788	1,317
Counter/Public inquires	7,249	2,734	2,452	2,671	2,431	2,966	2,683	2,604
Police protection:								
Provided through contract with the County of Riverside Sheriff's Department:								
Sworn officers	186	184	186	181	181	153	151	150
Classified personnel	55	54	55	54	51	49	50	50
City support personnel	3	3	3	3	3	2	2	0
Volunteers	56	62	77	85	77	69	84	72
Responses to Calls:								
Priority 1	572	519	423	363	425	402	420	461
Priority 1A	1,110	1,181	1,274	1,289	1,584	1,500	1,463	1,480
Priority 2	24,967	24,938	27,797	26,021	27,733	28,048	28,696	30,294
Priority 3	26,466	24,800	27,487	29,393	29,860	28,521	30,499	35,317
Priority 4	17,592	16,630	18,625	18,087	17,280	16,662	16,749	17,944
Priority 5	91	1	1	1	1	63	62	54
Priority 6	0	0	0	0	0	0	0	0
Priority 7	0	0	0	0	0	0	1	0
Priority 8	0	0	1	1	0	0	0	0
Priority 9	248	279	312	223	347	436	312	295
Cancelled	5,359	5,222	5,543	5,991	23,338	26,172	29,095	26,061
Disp/Arr Time Missing	8,540	7,638	7,944	8,125	8,941	8,191	9,384	8,807
Same Disp/Arr Time	60,510	54,645	54,379	47,638	45,096	40,425	45,041	47,794
T. R. U. Calls	43	32	37	54	87	76	42	27
Building and Safety:								
Building permits issued	2,058	1,645	1,700	1,889	1,797	2,066	2,329	2,411
Counter requests for service	8,922	6,611	6,105	6,563	6,407	7,049	7,597	8,066
Planning:								
Planning applications processed	894	682	644	740	745	752	667	672
Counter requests for service	4,669	3,875	3,683	3,853	3,749	3,718	3,527	3,366
Recreation and culture:								
Rounds of golf played	6,123	6,638	9,719	n/a	8,209	9,002	7,948	8,237
Facility rentals	893	1,026	1,005	992	997	1,058	1,087	1,235
Participants in recreation programs	46,075	46,561	46,040	48,473	41,992	47,405	43,361	44,000
Utilities:								
Average residential daily consumption (kilowatt hours)	19.8	18.5	18.5	19.7	20.7	19.1	20.1	19.7
Average commercial daily consumption (kilowatt hours)	254.8	284.4	296.3	371.9	383.0	395.3	573	622.2
New residential connections	123	93	99	23	63	111	58	105
New commercial connections	65	5	54	23	15	32	13	11
Employees:								
Members of City Council	5	5	5	5	5	5	5	5
Members of the Planning Commission	7	7	7	7	7	7	7	9
Full-time career status (FTE)	324	312	283	281	277	299	261	264
Part-time career status (FTE)	14	29	21	66	22	11	14	15

Note: GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

Sources: City of Moreno Valley Technology Services, Fire Department, Police Department, Community & Economic Development, Parks & Community Services, Public Works, Utilities, Financial-Payroll.



COMPREHENSIVE ANNUAL FINANCIAL REPORT



CITY OF MORENO VALLEY, CALIFORNIA
COMMUNITY SERVICES DISTRICT
 FISCAL YEAR ENDED JUNE 30, 2016



Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Community Services District

Financial Statements
Year Ended June 30, 2016

TABLE OF CONTENTS

FINANCIAL SECTION

Independent Auditors' Report..... 1

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:

Statement of Net Position..... 5
Statement of Activities..... 7

Fund Financial Statements:

Balance Sheet – Governmental Funds..... 8
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position..... 11
Statement of Revenues, Expenditures and Changes in
Fund Balances – Governmental Funds..... 12
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities..... 14

Budget Comparison Statements

Zone L Library Services..... 15
Zone A Parks and Community Services..... 16
Landscape Maintenance District (LMD) No. 2014-02..... 17
Zone E Extensive Landscaping Administration..... 18

Notes to Financial Statements..... 19

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Combining Balance Sheet – Nonmajor Governmental Funds..... 34
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances – Nonmajor Governmental Funds..... 36

Budgetary Comparison Schedules

Lighting Maintenance District (LMD) No. 2014-01 38
Zone C Arterial Street Lights Administration 39
Zone D Standard Landscaping Administration 40
Zone M Median 41
CFD No.1 42
Zone S Sunnymead Boulevard Maintenance 43

INDEPENDENT AUDITORS' REPORT

To the Directors
City of Moreno Valley, California
Community Services District

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, Community Services District (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this include the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2016, and the respective changes in financial position and budgetary comparison for the Zone L Library Services, Zone A Parks and Community Services, Landscape Maintenance District (LMD) 2014-02, and Zone E Extensive Landscaping Administration for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

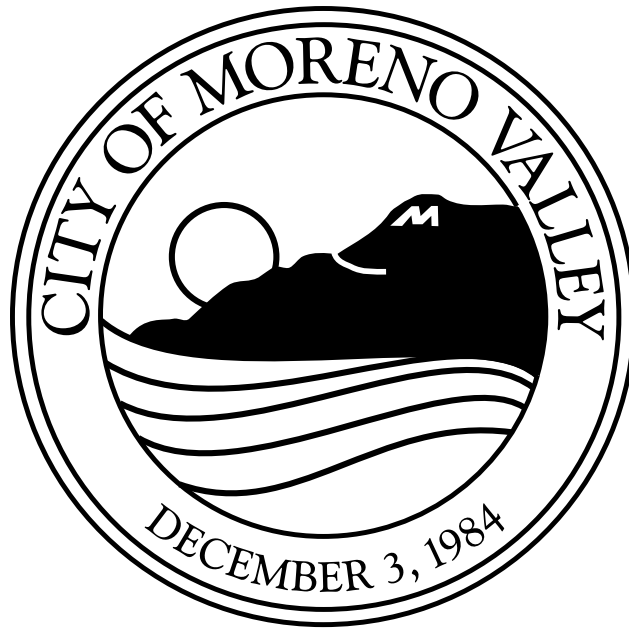


Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2016 on our consideration of the City's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

Vasquez + Company LLP

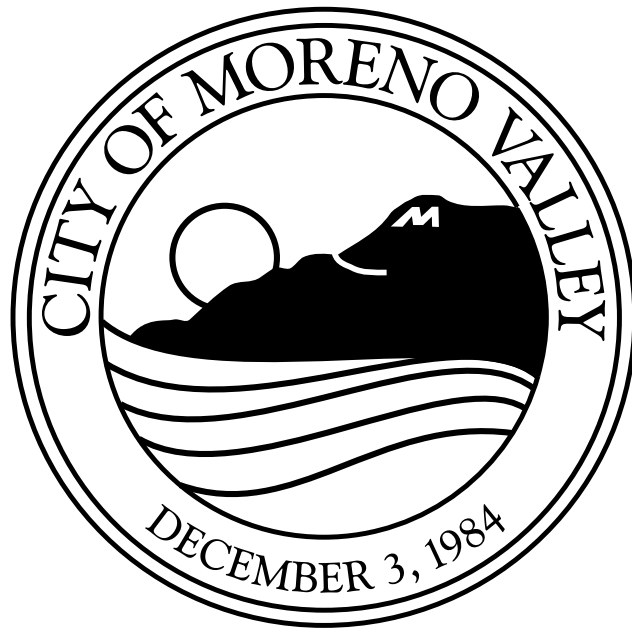
Los Angeles, California
December 6, 2016



**City of Moreno Valley, California
Community Services District**

**Statement of Net Position
June 30, 2016**

	<u>Governmental Activities</u>
Assets	
Cash and investments (note 2)	\$ 16,627,649
Receivables:	
Accounts	87,937
Due from other governments	1,283,749
Capital assets not being depreciated (note 3)	982,736
Capital assets, net of depreciation (note 3)	<u>20,801,186</u>
Total Assets	<u>39,783,257</u>
 Deferred Outflows of Resources	
Deferred outflows of resources related to pensions	<u>1,260,373</u>
Total Deferred Outflows of Resources	<u>1,260,373</u>
 Liabilities	
Accounts payable	745,968
Unearned revenue	232,051
Deposits payable	3,540
Due to other governments	23
Due to the City of Moreno Valley	14,745
Net pension liability	<u>9,310,838</u>
	<u>10,307,165</u>
 Deferred Inflows of Resources	
Deferred inflows of resources related to pensions	<u>1,398,270</u>
Total Deferred Inflows of Resources	<u>1,398,270</u>
 Net Position	
Net investment in capital assets	21,783,922
Restricted for:	
Special zones	<u>7,554,273</u>
	<u>\$ 29,338,195</u>



**City of Moreno Valley, California
Community Services District**

**Statement of Activities
Year Ended June 30, 2016**

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position
Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Governmental Activities	
Functions/Programs:					
Primary Government:					
Governmental Activities					
Community and cultural	\$ 13,707,078	\$ 6,015,891	\$ -	\$ -	\$ (7,691,187)
Public works	6,906,699	-	-	-	(6,906,699)
Total Governmental Activities	\$ 20,613,777	\$ 6,015,891	\$ -	\$ -	(14,597,886)
General revenues					
Taxes:					
Property taxes, levied for general purpose					4,330,340
Other taxes					6,387,448
Use of money and property					926,457
Other					1,074,042
Capital assets contribution from the City of Moreno Valley					715,139
Contributions from the City of Moreno Valley					1,004,137
Total general revenues and contributions					14,437,563
Change in Net Position					(160,323)
Net Position - Beginning of year					29,498,518
Net position - End of year					\$ 29,338,195

**City of Moreno Valley, California
Community Services District**

**Governmental Funds
Balance Sheet
June 30, 2016**

	Special Revenue Funds		
	Zone L Library Services	Zone A Parks and Community Services	Landscape Maintenance District No. 2014-02
Assets:			
Pooled cash and investments (note 2)	\$ 667,235	\$ 5,673,164	\$ 4,426,783
Receivables:			
Accounts	-	87,937	-
Due from other governments	53,934	138,549	309,892
Total Assets	<u>\$ 721,169</u>	<u>\$ 5,899,650</u>	<u>\$ 4,736,675</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 11,511	\$ 274,392	\$ 247,473
Unearned revenues	-	232,051	-
Deposits payable	-	3,540	-
Due to other governments	-	23	-
Due to the City of Moreno Valley	-	14,745	-
Total Liabilities	<u>11,511</u>	<u>524,751</u>	<u>247,473</u>
Fund Balances:			
Restricted for:			
Special zones	709,658	5,374,899	4,489,202
Total Fund Balances	<u>709,658</u>	<u>5,374,899</u>	<u>4,489,202</u>
Total Liabilities and Fund Balances	<u>\$ 721,169</u>	<u>\$ 5,899,650</u>	<u>\$ 4,736,675</u>

Special Revenue Funds		
Zone E Extensive Landscaping Administration	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,443,375	\$ 3,417,092	\$ 16,627,649
-	-	87,937
<u>96,759</u>	<u>684,615</u>	<u>1,283,749</u>
<u>\$ 2,540,134</u>	<u>\$ 4,101,707</u>	<u>\$ 17,999,335</u>
\$ 20,479	\$ 192,113	\$ 745,968
-	-	232,051
-	-	3,540
-	-	23
<u>-</u>	<u>-</u>	<u>14,745</u>
<u>20,479</u>	<u>192,113</u>	<u>996,327</u>
2,519,655	3,909,594	-
<u>2,519,655</u>	<u>3,909,594</u>	<u>17,003,008</u>
<u>\$ 2,540,134</u>	<u>\$ 4,101,707</u>	<u>\$ 17,999,335</u>

Assets:
 Pooled cash and investments (note 2)
 Receivables:
 Accounts
 Due from other governments

Total Assets

Liabilities and Fund Balances:

Liabilities:
 Accounts payable
 Unearned revenues
 Deposits payable
 Due to other governments
 Due to the City of Moreno Valley

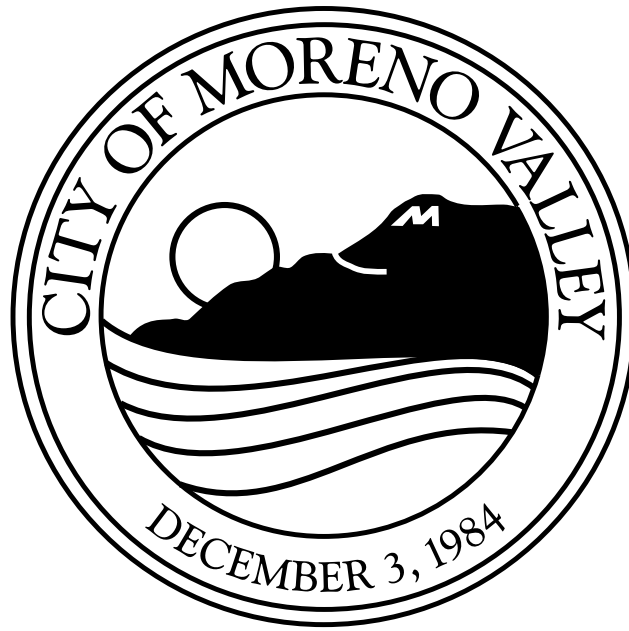
Total Liabilities

Fund Balances:

Restricted for:
 Special zones

Total Fund Balances

Total Liabilities and Fund Balances



City of Moreno Valley, California
Community Services District

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2016

Fund balances of governmental funds	\$ 17,003,008
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of depreciation, used in governmental activities are not financial resources and therefore, are not reported in the funds.	
Capital assets, not being depreciated	982,736
Depreciable capital assets, net of accumulated depreciation	20,801,186
Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the governmental funds	1,260,373
Long-term liabilities related to pension are not due and payable in the current period and therefore are not reported in the governmental funds	
Net pension liability	(9,310,838)
Deferred inflows of resources related to pensions are not financial resources and therefore are not reported in the governmental funds	<u>(1,398,270)</u>
Net position of governmental activities	<u>\$ 29,338,195</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

**City of Moreno Valley, California
Community Services District**

**Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2016**

	<u>Special Revenue Funds</u>		
	<u>Zone L Library Services</u>	<u>Zone A Parks and Community Services</u>	<u>Landscape Maintenance District No. 2014-02</u>
Revenues:			
Taxes:			
Property taxes	\$ 1,810,897	\$ 2,228,315	\$ -
Other taxes	-	4,930,807	-
Fees and charges for services	40,276	1,175,207	2,056,708
Use of money and property	-	755,656	73,721
Fines and forfeitures	39,161	-	-
Miscellaneous	1,425	45,795	271,943
Total Revenues	<u>1,891,759</u>	<u>9,135,780</u>	<u>2,402,372</u>
Expenditures:			
Current:			
Community and cultural	1,763,068	8,678,359	-
Public works	-	-	2,225,495
Capital outlay	-	38,963	-
Total Expenditures	<u>1,763,068</u>	<u>8,717,322</u>	<u>2,225,495</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	128,691	418,458	176,877
Other Financing Sources (Uses):			
Contribution from the City of Moreno Valley	-	521,021	215,928
Transfers in	-	-	49,992
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>521,021</u>	<u>265,920</u>
Net Change in Fund Balances	<u>128,691</u>	<u>939,479</u>	<u>442,797</u>
Fund Balances, Beginning of Year	580,967	4,435,420	4,046,405
Fund Balances, End of Year	<u>\$ 709,658</u>	<u>\$ 5,374,899</u>	<u>\$ 4,489,202</u>

**City of Moreno Valley, California
Community Services District**

**Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2016**

Special Revenue Funds																																																																																																																																																																																																																								
Zone E Extensive Landscaping Administration	Nonmajor Governmental Funds	Total Governmental Funds																																																																																																																																																																																																																						
<table border="0"> <tr><td>\$</td><td align="right">-</td><td>\$</td><td align="right">291,128</td><td>\$</td><td align="right">4,330,340</td><td>Revenues:</td></tr> <tr><td></td><td align="right">-</td><td></td><td align="right">1,456,641</td><td></td><td align="right">6,387,448</td><td>Taxes:</td></tr> <tr><td></td><td align="right">314,306</td><td></td><td align="right">2,429,394</td><td></td><td align="right">6,015,891</td><td>Property taxes</td></tr> <tr><td></td><td align="right">37,508</td><td></td><td align="right">59,572</td><td></td><td align="right">926,457</td><td>Other taxes</td></tr> <tr><td></td><td align="right">-</td><td></td><td align="right">-</td><td></td><td align="right">39,161</td><td>Fees and charges for services</td></tr> <tr><td></td><td align="right">84,383</td><td></td><td align="right">631,335</td><td></td><td align="right">1,034,881</td><td>Use of money and property</td></tr> <tr><td></td><td align="right">436,197</td><td></td><td align="right">4,868,070</td><td></td><td align="right">18,734,178</td><td>Fines and forfeitures</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td>Miscellaneous</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td>Total Revenues</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td align="right">-</td><td></td><td align="right">1,202,841</td><td></td><td align="right">11,644,268</td><td>Expenditures:</td></tr> <tr><td></td><td align="right">271,841</td><td></td><td align="right">4,045,480</td><td></td><td align="right">6,542,816</td><td>Current:</td></tr> <tr><td></td><td align="right">-</td><td></td><td align="right">-</td><td></td><td align="right">38,963</td><td>Community and cultural</td></tr> <tr><td></td><td align="right">271,841</td><td></td><td align="right">5,248,321</td><td></td><td align="right">18,226,047</td><td>Public works</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td>Capital outlay</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td>Total Expenditures</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td align="right">164,356</td><td></td><td align="right">(380,251)</td><td></td><td align="right">508,131</td><td>Excess (Deficiency) of Revenues Over (Under) Expenditures</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td align="right">-</td><td></td><td align="right">267,188</td><td></td><td align="right">1,004,137</td><td>Other Financing Sources (Uses):</td></tr> <tr><td></td><td align="right">-</td><td></td><td align="right">-</td><td></td><td align="right">49,992</td><td>Contribution from the City of Moreno Valley</td></tr> <tr><td></td><td align="right">-</td><td></td><td align="right">(49,992)</td><td></td><td align="right">(49,992)</td><td>Transfers in</td></tr> <tr><td></td><td align="right">-</td><td></td><td align="right">217,196</td><td></td><td align="right">1,004,137</td><td>Transfers out</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td>Total Other Financing Sources (Uses)</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td align="right">164,356</td><td></td><td align="right">(163,055)</td><td></td><td align="right">1,512,268</td><td>Net Change in Fund Balances</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td></td><td align="right">2,355,299</td><td></td><td align="right">4,072,649</td><td></td><td align="right">15,490,740</td><td>Fund Balances, Beginning of Year</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>\$</td><td align="right">2,519,655</td><td>\$</td><td align="right">3,909,594</td><td>\$</td><td align="right">17,003,008</td><td>Fund Balances, End of Year</td></tr> </table>	\$	-	\$	291,128	\$	4,330,340	Revenues:		-		1,456,641		6,387,448	Taxes:		314,306		2,429,394		6,015,891	Property taxes		37,508		59,572		926,457	Other taxes		-		-		39,161	Fees and charges for services		84,383		631,335		1,034,881	Use of money and property		436,197		4,868,070		18,734,178	Fines and forfeitures							Miscellaneous							Total Revenues									-		1,202,841		11,644,268	Expenditures:		271,841		4,045,480		6,542,816	Current:		-		-		38,963	Community and cultural		271,841		5,248,321		18,226,047	Public works							Capital outlay							Total Expenditures									164,356		(380,251)		508,131	Excess (Deficiency) of Revenues Over (Under) Expenditures									-		267,188		1,004,137	Other Financing Sources (Uses):		-		-		49,992	Contribution from the City of Moreno Valley		-		(49,992)		(49,992)	Transfers in		-		217,196		1,004,137	Transfers out							Total Other Financing Sources (Uses)									164,356		(163,055)		1,512,268	Net Change in Fund Balances									2,355,299		4,072,649		15,490,740	Fund Balances, Beginning of Year								\$	2,519,655	\$	3,909,594	\$	17,003,008	Fund Balances, End of Year						
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Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Community Services District

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Year Ended June 30, 2016
Statement of Activities

Net change in fund balances - total governmental funds \$ 1,512,268

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	38,963
Depreciation expense	(1,994,268)
Loss on disposal of assets	(363,883)
Capital assets contributions from the City of Moreno Valley	715,139

Pension expense reported in the statement of activities that does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds (68,542)

Change in net position of governmental activities \$ (160,323)

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Statement
Zone L Library Services
Year Ended June 30, 2016**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property taxes	\$ 1,694,285	\$ 1,694,285	\$ 1,810,897	\$ 116,612
Fees and charges for services	18,000	18,000	40,276	22,276
Fines and forfeitures	50,000	50,000	39,161	(10,839)
Miscellaneous	2,000	2,000	1,425	(575)
Total Revenues	1,764,285	1,764,285	1,891,759	127,474
Expenditures:				
Current:				
Community and cultural	1,747,334	1,747,334	1,763,068	(15,734)
Total Expenditures	1,747,334	1,747,334	1,763,068	(15,734)
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,951	16,951	128,691	111,740
Net Change in Fund Balances	16,951	16,951	128,691	111,740
Fund Balance, Beginning of Year	580,967	580,967	580,967	-
Fund Balance, End of Year	\$ 597,918	\$ 597,918	\$ 709,658	\$ 111,740

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Statement
Zone A Parks and Community Services
Year Ended June 30, 2016**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property taxes	\$ 2,133,544	\$ 2,133,544	\$ 2,228,315	\$ 94,771
Other taxes	4,930,000	4,930,000	4,930,807	807
Fees and charges for services	1,075,350	1,075,350	1,175,207	99,857
Use of money and property	671,200	671,200	755,656	84,456
Miscellaneous	7,150	7,150	45,795	38,645
Total Revenues	8,817,244	8,817,244	9,135,780	318,536
Expenditures:				
Current				
Community and cultural	9,067,471	9,092,329	8,678,359	413,970
Capital outlay	50,192	396,418	38,963	357,455
Total Expenditures	9,117,663	9,488,747	8,717,322	771,425
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(300,419)</u>	<u>(671,503)</u>	<u>418,458</u>	<u>1,089,961</u>
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	521,021	521,021	521,021	-
Total Other Financing Sources (Uses)	<u>521,021</u>	<u>521,021</u>	<u>521,021</u>	<u>-</u>
Net Change in Fund Balances	220,602	(150,482)	939,479	1,089,961
Fund Balance, Beginning of Year	4,435,420	4,435,420	4,435,420	-
Fund Balance, End of Year	<u>\$4,656,022</u>	<u>\$4,284,938</u>	<u>\$5,374,899</u>	<u>\$ 1,089,961</u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Statement
Landscape Maintenance District (LMD) No. 2014-02
Year Ended June 30, 2016**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees and charges for services	\$ 2,075,397	\$ 2,051,897	\$ 2,056,708	\$ 4,811
Use of money and property	15,532	15,532	73,721	58,189
Miscellaneous	-	284,060	271,943	(12,117)
Total Revenues	2,090,929	2,351,489	2,402,372	50,883
Expenditures:				
Current:				
Public works	2,326,393	2,828,966	2,225,495	603,471
Total Expenditures	2,326,393	2,828,966	2,225,495	603,471
Excess (Deficiency) of Revenues Over (Under) Expenditures	(235,464)	(477,477)	176,877	654,354
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	217,724	215,928	215,928	-
Transfers in	49,992	49,992	49,992	-
Total Other Financing Sources (Uses)	267,716	265,920	265,920	-
Net Change in Fund Balances	32,252	(211,557)	442,797	654,354
Fund Balance, Beginning of Year	4,046,405	4,046,405	4,046,405	-
Fund Balance, End of Year	\$4,078,657	\$ 3,834,848	\$4,489,202	\$ 654,354

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Statement
Zone E Extensive Landscaping Administration
Year Ended June 30, 2016**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Fees and charges for services	\$ 397,900	\$ 383,100	\$ 314,306	\$ (68,794)
Use of money and property	22,369	22,369	37,508	15,139
Miscellaneous	-	88,192	84,383	(3,809)
Total Revenues	<u>420,269</u>	<u>493,661</u>	<u>436,197</u>	<u>(57,464)</u>
Expenditures:				
Current				
Public works	527,795	505,792	271,841	233,951
Total Expenditures	<u>527,795</u>	<u>505,792</u>	<u>271,841</u>	<u>233,951</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(107,526)</u>	<u>(12,131)</u>	<u>164,356</u>	<u>176,487</u>
Net Change in Fund Balances	<u>(107,526)</u>	<u>(12,131)</u>	<u>164,356</u>	<u>176,487</u>
Fund Balance, Beginning of Year	<u>2,355,299</u>	<u>2,355,299</u>	<u>2,355,299</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$2,247,773</u></u>	<u><u>\$2,343,168</u></u>	<u><u>\$2,519,655</u></u>	<u><u>\$ 176,487</u></u>

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements
June 30, 2016**

Note 1 Summary of Significant Accounting Policies

a. Description of the Reporting Entity

The City of Moreno Valley, California, Community Services District (the District), was created by a City Council ordinance adopted on December 3, 1984. Its purpose is to act as a legal entity, separate and distinct from the City of Moreno Valley (the City), even though the City Council is currently serving as the District's Governing Board. The District is broadly empowered to engage in the general maintenance and administration of the City's community programs.

Governmental Accounting Standards define the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either: a) the primary government has the ability to impose its will, or b) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on the primary government. Since the City Council of the City of Moreno Valley also serves as the Governing Board of the District, the City, in effect, has the ability to influence and control operations. Therefore, the City has oversight responsibility for the District. Accordingly, in applying the criteria of Governmental Accounting Standards, the financial statements of the District are included in the City's Comprehensive Annual Financial Report. The District has the same fiscal year end as the City and its financial statements can be obtained from the City Clerk.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the component unit. For the most part, the effect of interfund activity has been removed from these statements. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2016**

Note 1 Summary of Significant Accounting Policies (Continued)

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they have been levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers operating revenues to be available if they are collected within 60 days of the end of the current fiscal period, while grant revenues have an availability period of 120 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

Zone L Library Services accounts for the operations necessary to process and administer the library services program.

Zone A Parks and Community Services accounts for the administration and maintenance of the parks and community services facilities and programs.

Landscape Maintenance District (LMD) 2014-02 provides the funding for the operation and maintenance of public landscaping throughout the City.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2016**

Note 1 Summary of Significant Accounting Policies (Continued)

Zone E Extensive Landscaping Administration accounts for the operations necessary to provide high-service level landscape maintenance in and around specific major residential developments throughout the City.

d. Budgetary Reporting

Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the governmental activities. Budgets presented in this report for comparison to actual amounts are presented in accordance with generally accepted accounting principles (GAAP). From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various District departments.

Reported budget amounts represent the original legally adopted budget as amended. The City Council may amend the budget only by a duly adopted minute resolution during a regular meeting, providing that sufficient monies are available and that expenditures of proceeds of taxes will not be increased beyond the constitutional appropriation limit as imposed by Article XIII B of the State Constitution. Individual fund budgets are, in all cases where appropriations are required, the same as the appropriation amounts. In the case of the Governmental Fund type, unexpended budgeted amounts, except for amounts relating to capital projects, lapse at the end of the budget year. Spending control for most funds is established by the amount of expenditures budgeted for each department within the fund, but management control is exercised at budgetary line item levels within the departments. Management can transfer budgeted amounts between line items within each department provided that they do not increase or decrease total department appropriations. Expenditures may not legally exceed budgeted appropriations at the department and fund levels. For the year ended June 30, 2016, there was one fund, the Zone L Library Services Fund, that had expenditures in excess of appropriations adopted by the City Council.

e. Unavailable Revenue and Unearned Revenue

The District reports unavailable revenue in the fund-level statements as deferred inflows. Unavailable revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the deferred inflow for unavailable revenue is removed and revenue is recognized.

The District reports unearned revenue in the fund-level statements and in the statement of net position. Unearned revenue arises when the District receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2016**

Note 1 Summary of Significant Accounting Policies (Continued)

f. Fund Balance

In the fund financial statements, governmental funds report the following fund balance classifications:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted include amounts that are constrained as to use of resources by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, the Governing Board. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution by the governing body.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Financial and Management Services Director is authorized to assign amounts to a specific purpose, which was established by the governing body in a resolution.

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes.

Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2016**

Note 1 Summary of Significant Accounting Policies (Continued)

g. Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets. Currently, the District does not have any debt attributed to capital assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

h. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. streetlights, medians, sidewalks and similar items), are reported in the government wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2016**

Note 1 Summary of Significant Accounting Policies (Continued)

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	5 – 50
Furniture and Equipment	3 – 15
Vehicles	3 – 10
Infrastructure	25 – 50

i. Investments

The District records all investments at fair value. The current year's changes in fair value are recognized in the statement of revenues, expenditures and changes in fund balances as use of money and property. *Use of money and property* includes interest earnings, changes in fair value, rental income and any gains or losses.

j. Salary Expenditures

The District does not employ any personnel and relies on the City for administrative services. The financial statements include expenditures for salary and other benefits, which were allocated to the District by the City.

k. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Secured property taxes are levied on August 10 and are payable in two installments on November 1 and February 1. Unsecured personal property taxes are due in a single installment on July 1. The County of Riverside bills and collects the property taxes and remits them to the District in installments during the year. Property taxes received within 60 days after the District's fiscal year-end are considered "measurable" and "available" and are accrued in the District's financial statements.

l. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the related reported amounts of revenues and expenditures during the reporting period. Actual results could differ from estimates.

City of Moreno Valley, California
Community Services District

Notes to Financial Statements (Continued)
June 30, 2016

Note 2 **Cash and Investments**

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments pooled with the City \$16,627,649

The District's cash and investments are pooled with the City of Moreno Valley's cash and investments in order to generate optimum investment income. The District is a voluntary participant in the City's investment pool. This pool is governed by and under the regulatory oversight of the Investment Policy adopted by the City Council of the City. The District has not adopted an investment policy separate from that of the City. Each fund's share of the pooled cash account is separately accounted for, and investment income is allocated to all participating funds based on the relationship of their average daily cash balances to the total of the pooled cash and investments. Information regarding the authorized types of deposits and investments, the type of risks (i.e. credit, interest rate, custodial, etc.) and other disclosures associated with the City's pooled cash and investments is included in the City's basic financial statements, which are available at City Hall.

Fair Value Measurement

In accordance with GASB Statement 72, *Fair Value Measurement*, the City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the investments. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Refer to the City's basic financial statements for details about fair value measurement disclosures.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2016**

Note 3 Capital Assets

The following is a summary of capital assets for governmental activities:

	Balances 7/1/2015	Additions	Deletions	Balances 6/30/2016
Non-Depreciable Assets:				
Land	\$ 779,584	\$ -	\$ -	\$ 779,584
Construction in Progress	93,167	467,536	(357,551)	203,152
Total Non-Depreciable Assets	<u>872,751</u>	<u>467,536</u>	<u>(357,551)</u>	<u>982,736</u>
Depreciable Assets				
Buildings and Improvements	57,189,876	82,964	(174,110)	57,098,730
Furniture and Equipment	3,376,768	203,602	(325,033)	3,255,337
Vehicles	778,780	-	(778,780)	-
Total Depreciable Assets	<u>61,345,424</u>	<u>286,566</u>	<u>(1,277,923)</u>	<u>60,354,067</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(36,503,762)	(1,802,936)	-	(38,306,698)
Furniture and Equipment	(1,566,227)	(191,332)	511,376	(1,246,183)
Vehicles	(760,215)	-	760,215	-
Total Accumulated Depreciation	<u>(38,830,204)</u>	<u>(1,994,268)</u>	<u>1,271,591</u>	<u>(39,552,881)</u>
Total Depreciable Assets, Net of Accumulated Depreciation	<u>22,515,220</u>	<u>(1,707,702)</u>	<u>(6,332)</u>	<u>20,801,186</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 23,387,971</u>	<u>\$ (1,240,166)</u>	<u>\$ (363,883)</u>	<u>\$ 21,783,922</u>

Depreciation expense was charged to functions/programs of the District as follows:
Governmental Activities:

Community and cultural \$ 1,994,268

Note 4 Pension Plans

A. General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City of Moreno Valley’s Miscellaneous Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS), which acts as common investment and administrative agent for its participating member employers. Benefits provisions under the Plan are established by State statute and City resolution. CalPERS issues publically available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on CalPERS website.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2016**

Note 4 Pension Plans (Continued)

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2016, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Benefit Formula	2.7% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement Age	50-55	52-62
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.0%
Required employee contribution rates	8.00%	6.25%
Required employer contribution rates	23.959%	27.196%

Employees Covered – At June 30, 2016, the following employees were covered by the benefit terms of the Plan:

	Miscellaneous
Active employees	331
Retired employees	271
Inactive employees	268

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2016**

Note 4 Pension Plans (Continued)

B. Net Pension Liability

The District's net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability is measured as of June 30, 2015, using an annual actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability follows.

Actuarial Assumptions – The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation date	June 30, 2014
Measurement date	June 30, 2015
Actuarial cost method	Entry Age Normal Cost Method
Actuarial assumptions:	
Discount rate	7.65%
Inflation	2.75%
Payroll growth	3.00%
Projected salary increase	(1)
Investment rate of return	7.65% (2)
Mortality	Membership Data for all Funds

(1) Depending on age, service, and type of employment

(2) Net of pension plan investment expenses, including inflation

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2016**

Note 4 Pension Plans (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 7.65% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is considered to be adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent is without reduction of pension plan administrative expenses and is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The following table reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2016**

Note 4 Pension Plans (Continued)

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	51%	5.25%	5.71%
Global Fixed Income	19%	0.99%	2.43%
Inflation Sensitive	6%	0.45%	3.36%
Private Equity	10%	6.83%	6.95%
Real Estate	10%	4.50%	5.13%
Infrastructure and Forestland	2%	4.50%	5.09%
Liquidity	2%	-0.55%	-1.05%
Total	<u>100%</u>		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

C. Changes in the Net Pension Liability

The changes in the District's Net Pension Liability over the measurement period are as follows:

Miscellaneous Plan:	Net Pension Liability (Asset)
Balance at June 30, 2014	\$ 8,907,346
Changes in the year:	
Service cost	525,131
Interest on the total pension liability	1,586,793
Difference between actual and expected experience	147,714
Changes in assumptions	(400,289)
Contribution - employer	(627,168)
Contribution - employee (paid by employer)	(153,636)
Net investment income	(691,870)
Administrative expense	16,817
Net Changes	<u>403,492</u>
Balance at June 30, 2015	<u>\$ 9,310,838</u>

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2016**

Note 4 Pension Plans (Continued)

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2016, the District recognized pension expense of \$527,655. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 645,829	\$ -
Changes of assumptions	-	(262,258)
Differences between expected and actual experiences	-	(153,636)
Net difference between projected and actual earnings on pension plan	<u>614,544</u>	<u>(982,376)</u>
	<u>\$ 1,260,373</u>	<u>\$ (1,398,270)</u>

The amount of \$1,260,373 reported as deferred outflows of resources related to contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>		
2017	\$	(321,709)
2018		(321,709)
2019		(321,709)
Thereafter		-

**City of Moreno Valley, California
Community Services District**

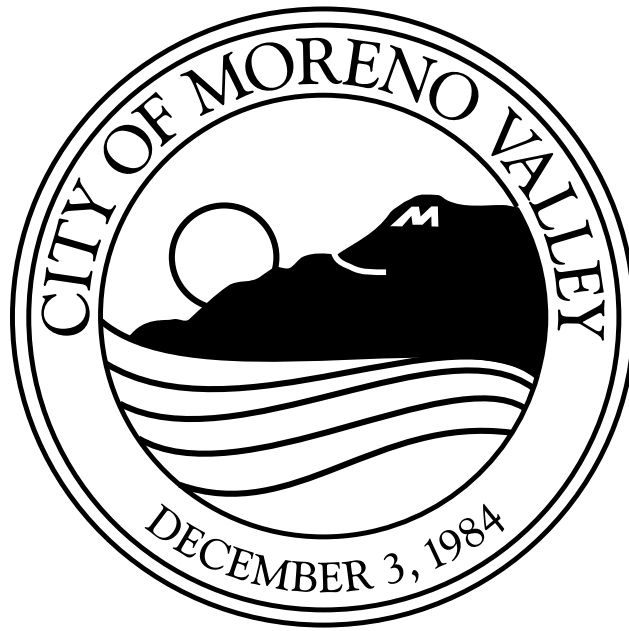
**Notes to Financial Statements (Continued)
June 30, 2016**

Note 6 Commitments and Contingencies

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and injuries to employees. The City of Moreno Valley established two Self-Insurance Funds (internal service funds) to account for and finance its uninsured risks of loss. Under this program, the self-insurance funds provide coverage for up to a maximum of \$300,000 for each worker's compensation claim and \$250,000 for each general liability claim. The City purchases commercial insurance for claims in excess of coverage provided by the funds and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. All funds of the District participate in the program and make payments to the Self-Insurance Funds based on actuarial estimates of the amounts needed to pay prior and current year claims.

Note 7 Subsequent Events

The District has evaluated events subsequent to June 30, 2016 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 6, 2016, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.



City of Moreno Valley, California
Community Services District

Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2016

	Special Revenue Funds				
	Lighting Maintenance District No. 2014-01	Zone C Arterial Street Lights Administration	Zone D Standard Landscaping Administration	Zone M Median	
	Assets:				
	Pooled cash and investments	\$ 381,141	\$ 470,277	\$ 1,200,586	\$ 473,835
Due from other governments	17,955	11,211	521,549	124,343	
Total Assets	\$ 399,096	\$ 481,488	\$ 1,722,135	\$ 598,178	
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ 4,550	40,219	76,062	18,761	
Total Liabilities	4,550	40,219	76,062	18,761	
Fund Balances:					
Restricted for:					
Special zones	394,546	441,269	1,646,073	579,417	
Total Fund Balances	394,546	441,269	1,646,073	579,417	
Total Liabilities and Fund Balances	\$ 399,096	\$ 481,488	\$ 1,722,135	\$ 598,178	

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

City of Moreno Valley, California
Community Services District

Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2016

<u>Special Revenue Funds</u>		
<u>CFD #1</u>	<u>Zone S Sunnymead Boulevard Maintenance</u>	<u>Total Nonmajor Funds</u>
\$ 788,579	\$ 102,674	\$ 3,417,092
8,098	1459	684,615
\$ 796,677	\$ 104,133	\$ 4,101,707
\$ 49,742	2,779	192,113
49,742	2,779	192,113
746,935	101,354	3,909,594
746,935	101,354	3,909,594
\$ 796,677	\$ 104,133	\$ 4,101,707

Assets:

Pooled cash and investments

Due from other governments

Total Assets

Liabilities and Fund Balances:

Liabilities:

Accounts payable

Total Liabilities

Fund Balances:

Restricted for:

Special zones

Total Fund Balances

Total Liabilities and Fund Balances

**City of Moreno Valley, California
Community Services District**

**Nonmajor Governmental Funds
Combining Statement of Revenues
Expenditures and Changes in Fund Balances
Year Ended June 30, 2016**

	Special Revenue Funds				
	Lighting Maintenance District No. 2014-01	Zone C Arterial Street Lights Administration	Zone D Standard Landscaping Administration	Zone M Median	
	Revenues:				
	Taxes				
Property taxes	\$ 106,924	\$ 184,204	\$ -	\$ -	
Other taxes	-	423,563	-	-	
Fees and charges for services	941,341	63,160	1,183,924	158,098	
Use of money and property	9,948	10,046	18,323	9,760	
Miscellaneous	-	-	506,210	122,457	
Total Revenues	1,058,213	680,973	1,708,457	290,315	
Expenditures:					
Current:					
Community and cultural	-	-	-	-	
Public works	1,459,304	839,685	1,282,987	407,789	
Total Expenditures	1,459,304	839,685	1,282,987	407,789	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(401,091)	(158,712)	425,470	(117,474)	
Other Financing Sources (Uses):					
Contributions from the City of Moreno Valley	159,008	-	-	108,180	
Transfers out	-	-	(49,992)	-	
Total Other financing sources (uses)	159,008	-	(49,992)	108,180	
Net Change in Fund Balances	(242,083)	(158,712)	375,478	(9,294)	
Fund Balances, Beginning of Year	636,629	599,981	1,270,595	588,711	
Fund Balances, End of Year	\$ 394,546	\$ 441,269	\$ 1,646,073	\$ 579,417	

**City of Moreno Valley, California
Community Services District**

**Nonmajor Governmental Funds
Combining Statement of Revenues
Expenditures and Changes in Fund Balances
Year Ended June 30, 2016**

Special Revenue Funds		
CFD #1	Zone S Sunnymead Boulevard Maintenance	Total Nonmajor Funds
\$ -	\$ -	\$ 291,128
1,033,078	-	1,456,641
25,571	57,300	2,429,394
9,832	1,664	59,573
2,667	-	631,334
1,071,148	58,964	4,868,070
1,202,841	-	1,202,841
-	55,715	4,045,480
1,202,841	55,715	5,248,321
(131,693)	3,249	(380,251)
-	-	267,188
-	-	(49,992)
-	-	217,196
(131,693)	3,249	(163,055)
878,628	98,105	4,072,649
\$ 746,935	\$ 101,354	\$ 3,909,594

Revenues:

- Taxes
 - Property taxes
 - Other taxes
- Fees and charges for services
- Use of money and property
- Miscellaneous

Total Revenues

Expenditures:

- Current:
 - Community and cultural
 - Public works

Total Expenditures

Excess (Deficiency) of Revenues

Over (Under) Expenditures

Other Financing Sources (Uses):

- Contributions from the City of Moreno Valley
- Transfers out

Total Other Financing Sources (Uses)

Net Change in Fund Balances

Fund Balances, Beginning of Year

Fund Balances, End of Year

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
Lighting Maintenance District (LMD) No. 2014-01
Year Ended June 30, 2016**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property taxes	\$ 87,600	\$ 87,600	\$ 106,924	\$ 19,324
Fees and charges for services	963,200	946,200	941,341	(4,859)
Use of money and property	-	-	9,948	9,948
Total Revenues	<u>1,050,800</u>	<u>1,033,800</u>	<u>1,058,213</u>	<u>24,413</u>
Expenditures:				
Current:				
Public works	1,700,769	1,524,323	1,459,304	65,019
Total Expenditures	<u>1,700,769</u>	<u>1,524,323</u>	<u>1,459,304</u>	<u>65,019</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(649,969)</u>	<u>(490,523)</u>	<u>(401,091)</u>	<u>89,432</u>
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	459,008	159,008	159,008	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>459,008</u>	<u>159,008</u>	<u>159,008</u>	<u>-</u>
Net Change in Fund Balances	<u>(190,961)</u>	<u>(331,515)</u>	<u>(242,083)</u>	<u>89,432</u>
Fund Balance, Beginning of Year	<u>636,629</u>	<u>636,629</u>	<u>636,629</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 445,668</u>	<u>\$ 305,114</u>	<u>\$ 394,546</u>	<u>\$ 89,432</u>

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
Zone C Arterial Street Lights Administration
Year Ended June 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property Taxes	\$ 130,000	\$ 130,000	\$ 184,204	\$ 54,204
Other taxes	423,300	423,300	423,563	263
Fees and charges for services	163,700	70,000	63,160	(6,840)
Use of money and property	-	-	10,046	10,046
Total Revenues	717,000	623,300	680,973	57,673
Expenditures:				
Current:				
Public works	1,005,200	827,987	839,685	(11,698)
Total Expenditures	1,005,200	827,987	839,685	(11,698)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(288,200)	(204,687)	(158,712)	45,975
Other Financing Sources (Uses):				
Contribution from the City of Moreno Valley	206,749	-	-	-
Total Other Financing Sources (Uses)	206,749	-	-	-
Net Change in Fund Balances	(81,451)	(204,687)	(158,712)	45,975
Fund Balance, Beginning of Year	599,981	599,981	599,981	-
Fund Balance, End of Year	\$ 518,530	\$ 395,294	\$ 441,269	\$ 45,975

City of Moreno Valley, California
Community Services District

Budgetary Comparison Schedule
Zone D Standard Landscaping Administration
Year Ended June 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fees and charges for services	\$ 1,218,000	\$ 1,184,400	\$ 1,183,924	\$ (476)
Use of money and property	7,000	7,000	18,323	11,323
Miscellaneous	-	529,058	506,210	(22,848)
Total Revenues	1,225,000	1,720,458	1,708,457	(12,001)
Expenditures:				
Current:				
Public works	1,178,686	1,621,688	1,282,987	338,701
Total Expenditures	1,178,686	1,621,688	1,282,987	338,701
Excess (Deficiency) of Revenues Over (Under) Expenditures	46,314	98,770	425,470	326,700
Other Financing Sources (Uses):				
Transfers out	(49,992)	(49,992)	(49,992)	-
Total Other Financing Sources (Uses)	(49,992)	(49,992)	(49,992)	-
Net Change in Fund Balances	(3,678)	48,778	375,478	326,700
Fund Balance, Beginning of Year	1,270,595	1,270,595	1,270,595	-
Fund Balance, End of Year	\$1,266,917	\$1,319,373	\$1,646,073	\$ 326,700

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
Zone M Median
Year Ended June 30, 2016**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees and charges for services	\$ 167,300	\$ 157,000	\$ 158,098	\$ 1,098
Use of money and property	2,600	2,600	9,760	
Miscellaneous	-	125,592	122,457	(3,135)
Total Revenues	169,900	285,192	290,315	(2,037)
Expenditures:				
Current:				
Public works	195,126	494,230	407,789	86,441
Total Expenditures	195,126	494,230	407,789	86,441
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,226)	(209,038)	(117,474)	91,564
Other Financing Sources (Uses):				
Contributions from the City of Moreno Valley	105,881	108,180	108,180	-
Total Other Financing Sources (Uses)	105,881	108,180	108,180	-
Net Change in Fund Balances	80,655	(100,858)	(9,294)	91,564
Fund Balance, Beginning of Year	588,711	588,711	588,711	-
Fund Balance, End of Year	\$ 669,366	\$ 487,853	\$ 579,417	\$ 91,564

**City of Moreno Valley, California
Community Services District**

**Budgetary Comparison Schedule
CFD No. 1
Year Ended June 30, 2016**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Other taxes	\$ 1,039,000	\$ 1,039,000	\$ 1,033,078	\$ (5,922)
Fees and charges for services	26,000	26,000	25,571	(429)
Use of money and property	24,997	24,997	9,832	(15,165)
Miscellaneous revenue	-	-	2,667	
Total Revenues	<u>1,089,997</u>	<u>1,089,997</u>	<u>1,071,148</u>	<u>(21,516)</u>
Expenditures:				
Current:				
Community and cultural	1,410,481	1,461,879	1,202,841	259,038
Total Expenditures	<u>1,410,481</u>	<u>1,461,879</u>	<u>1,202,841</u>	<u>259,038</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(320,484)</u>	<u>(371,882)</u>	<u>(131,693)</u>	<u>240,189</u>
Net Change in Fund Balances	<u>(320,484)</u>	<u>(371,882)</u>	<u>(131,693)</u>	<u>240,189</u>
Fund Balance, Beginning of Year	<u>878,628</u>	<u>878,628</u>	<u>878,628</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 558,144</u>	<u>\$ 506,746</u>	<u>\$ 746,935</u>	<u>\$ 240,189</u>

**City of Moreno Valley, California
Community Services District**

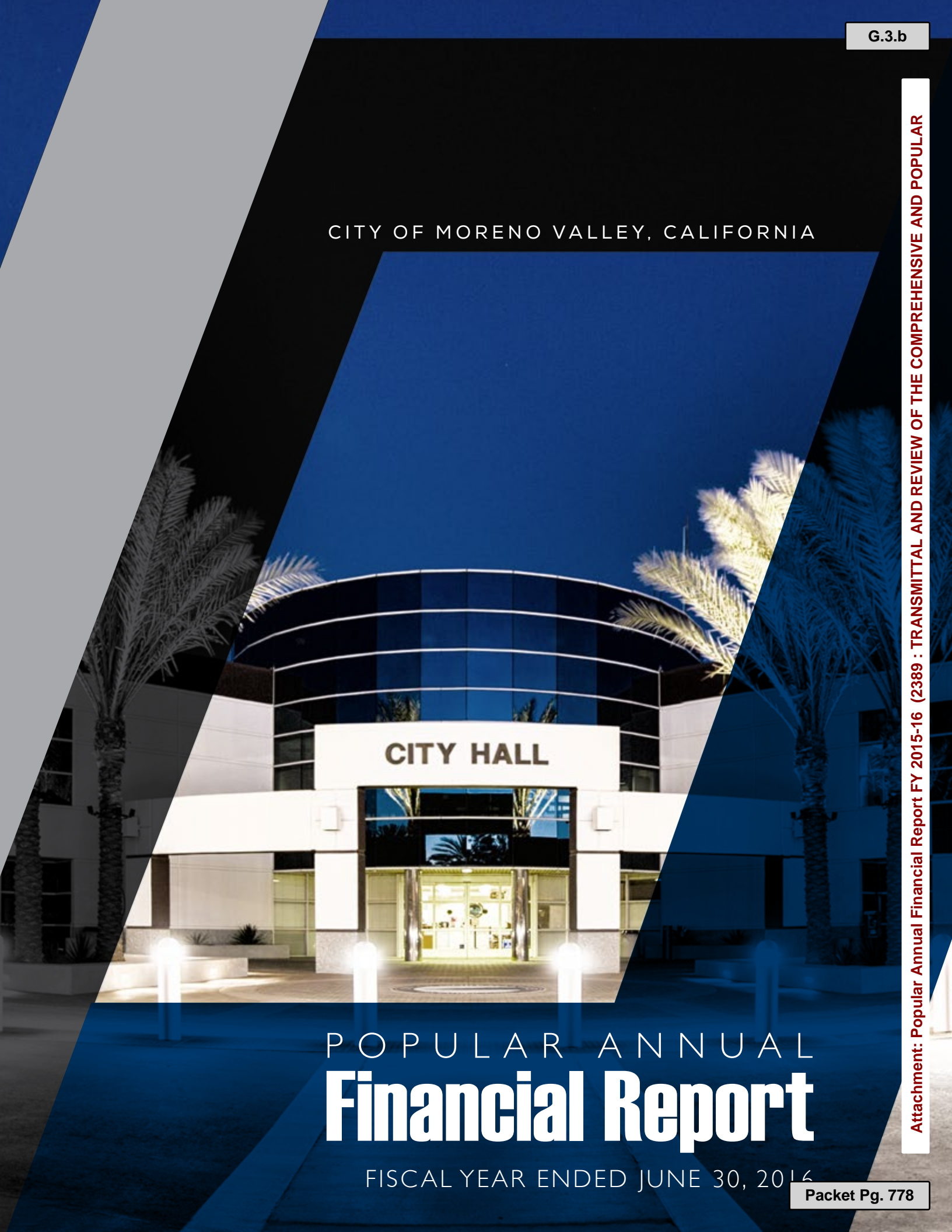
**Budgetary Comparison Schedule
Zone S Sunnymead Boulevard Maintenance
Year Ended June 30, 2016**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees and charges for services	\$ 57,500	\$ 57,500	\$ 57,300	\$ (200)
Use of money and property	200	200	1,664	1,464
Total Revenues	<u>57,700</u>	<u>57,700</u>	<u>58,964</u>	<u>1,264</u>
Expenditures:				
Current:				
Public works	53,346	70,721	55,715	15,006
Total Expenditures	<u>53,346</u>	<u>70,721</u>	<u>55,715</u>	<u>15,006</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,354</u>	<u>(13,021)</u>	<u>3,249</u>	<u>16,270</u>
Net Change in Fund Balances	4,354	(13,021)	3,249	16,270
Fund Balance, Beginning of Year	<u>98,105</u>	<u>98,105</u>	<u>98,105</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 102,459</u></u>	<u><u>\$85,084</u></u>	<u><u>\$ 101,354</u></u>	<u><u>\$ 16,270</u></u>

Attachment: Comprehensive Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND



CITY OF MORENO VALLEY, CALIFORNIA



POPULAR ANNUAL
Financial Report

FISCAL YEAR ENDED JUNE 30, 2016

INTRODUCTION

in this report

Introduction	2
About Moreno Valley	3
About this Report	5
City Organization	7
Demographic Information	8
Financial Report Highlights	9
General Fund	10
Net Position	11
Community Services District	12
Electric Utility	13
Long-term Debt	14

The City of Moreno Valley is pleased to present the 2015-2016 Popular Annual Financial Report. The information presented in our financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Moreno Valley operates.

The City continues to be a leader in business development with an array of undeveloped land, development opportunities, entitled development projects, and available lease space at economically feasible prices. During the last couple of years the City has experienced increased development activity in new retail, commercial and industrial construction and development. Several Fortune 500 companies such as Amazon and Procter & Gamble have chosen Moreno Valley and positively impacted industrial growth with construction and occupancy of distribution centers.

In June 2015, the City Council approved a two year Operating Budget for fiscal years 2015/2016 and 2016/2017 that not only is balanced without the use of General Fund reserves, it also restored services and increased customer service standards for our development community, customers, and citizens. Through quarterly budget review meetings and continued development of a Long Range Business Plan the City continues to be responsive to financial changes and remains focused on the long term impacts of any financial decisions.

The City also received the first award from the GFOA for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for the year ended June 30, 2015. The development of the supplemental PAFR is just one piece of the City's increased public communication efforts to increase transparency and public awareness.

ABOUT MORENO VALLEY

VISION STATEMENT

To transform our young city into a mature community that offers its residents and businesses an unsurpassed quality of life featuring abundant recreation, desirable private and public services, varied residential living choices, and well-paying employment opportunities.

MISSION STATEMENT

MAINTAIN a safe and secure environment for the people who live, work, and play in the city.

PROMOTE democracy, inviting citizen involvement while encouraging community self-determination and local control.

ENHANCE and sustain the economic prosperity of the community and the financial well-being of the city government.

BRING together our community and its resources to address local needs and issues and enhance the quality of life.

BUILD quality public and private facilities, emphasizing recreational and cultural activities for all ages and interests.

FOSTER harmony among diverse community groups by providing opportunities for improvement, respecting cultural differences, and treating people equally and fairly.

RESPECT and conserve our environmental resources for the health and enjoyment of our citizens and future generations.

ADVOCATE for and effectively represent the city's interests with other governmental and private institutions, and establish cooperative partnerships to improve the quality of life in the region.

EXEMPLIFY good government by operating a city business that is open and ethical, customer-friendly, cost-conscious, innovative, technologically advanced, and forward-thinking.

CULTIVATE a challenging and rewarding work environment— as a “model employer”—that supports our employees and their families, develops people, promotes teamwork, and celebrates humanity.

momentum moval

STRATEGIC PLAN PRIORITIES

ECONOMIC DEVELOPMENT

Meet the current and emerging needs of Moreno Valley by expanding the local economy through:

- new business opportunities;
- job creation;
- strategic partnerships; and
- workforce development.

Provide proactive business attraction, small business development, and business support services that grow the City's economic base to enhance the quality of life for Moreno Valley residents.

LIBRARY

Deliver library services that empower our residents through open access to knowledge, employing both traditional and contemporary methods at a level that is appropriate for a diverse community of over 200,000 citizens.

BEAUTIFICATION, COMMUNITY ENGAGEMENT, AND QUALITY OF LIFE

Promote an active and engaged community where we work together to beautify our shared environment, care for each other, and enjoy access to cultural and recreational amenities that support a high quality of life for all of our residents as envisioned and articulated throughout the City's adopted General Plan.

PUBLIC SAFETY

Provide effective public safety services to enhance the Quality of Life for Moreno Valley families and to attract businesses to our community. Public safety priorities focus on:

- reducing crime through traditional & innovative policing methods,
- preparing our community for emergencies;
- protecting life and property; and
- exploring cost effective solutions.

INFRASTRUCTURE

Manage and maximize Moreno Valley's public infrastructure to ensure an excellent quality of life, develop and implement innovative, cost effective infrastructure maintenance programs, public facilities management strategies, and capital improvement programming and project delivery.

YOUTH PROGRAMS

Improve the lives and futures of our City's youth by expanding healthy lifestyle choices and learning opportunities. Build systems that continually and effectively assess the conditions affecting families in Moreno Valley, and develop context appropriate strategies responsive to those needs that build on community strengths.

ABOUT THIS REPORT

Our Popular Annual Financial Report (PAFR) for the year ended June 30, 2016 was prepared to provide readers of interest an easy to understand summary of our financial activities in an informative, balanced, and objective manner. The PAFR is a summary of the financial activities of the City of Moreno Valley and is drawn from information found in the 2016 Comprehensive Annual Financial Report (CAFR). Both reports are available online at <http://www.moval.org>.

It is important to note that the financial data in this report is unaudited, includes information exclusively on primary government funds and is presented on a non-GAAP (Generally Accepted Accounting Principles) basis. This means that it excludes discrete component unit and fiduciary fund information, contains condensed financial information and does not provide all of the necessary financial statements and note disclosures required by GAAP standards.

We hope you enjoy reading this report and invite you to access our audited financial statements and completed CAFR online for more detailed information on your City finance. We welcome your questions, comments and suggestions regarding the information of this report. You can contact us at the City of Moreno Valley, Finance Department, at 14177 Frederick Street, Moreno Valley, CA 92552-0805, Tel. 951.413.3021.

GFOA award

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award of Outstanding Achievement in Popular Annual Financial Reporting to Moreno Valley, California for its Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2015. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a governmental unit must publish a PAFR, the contents of which conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year. We believe this report for the fiscal year ended June 30, 2016 also conforms to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA for review.



Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to

**City of Moreno Valley
California**

For its Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

CITY ORGANIZATION

THE GOVERNMENT

Moreno Valley is governed by a five-member elected City Council consisting of four District Representatives and one City Mayor. There are volunteer Commissions and Boards, as well as several Citizen Advisory Committees to help guide the Council in its decisions. The Council appoints the City Manager, who oversees the daily operations of the City.

The City of Moreno Valley provides a full range of services to its residents including police and fire services; utility services; employment resource services; affordable housing programs; parks and community services; and general governmental services.

CITIZENS

CITY COUNCIL

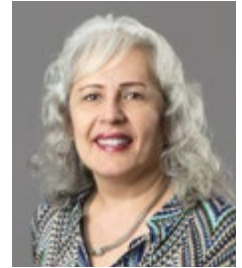
MAYOR

MAYOR PRO TEM

COUNCIL MEMBER

COUNCIL MEMBER

COUNCIL MEMBER



Dr. Yxstian A. Gutierrez
DISTRICT 4

Jeffrey J. Giba
DISTRICT 2

Jesse L. Molina
DISTRICT 1

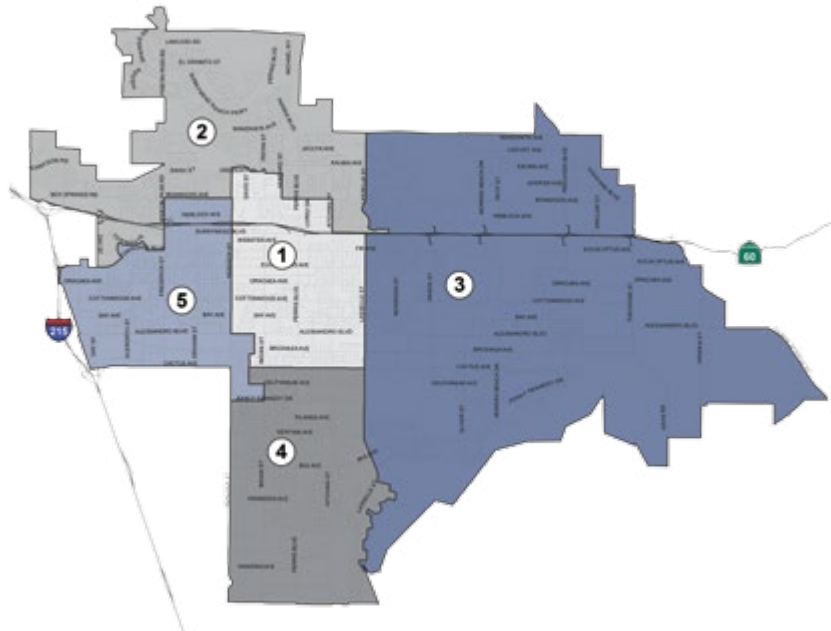
George E. Price
DISTRICT 3

D. LaDonna Jempson
DISTRICT 5

CITY DEPARTMENTS

City Manager | Administrative Services | City Attorney | City Clerk | Community Development | Economic Development
Financial & Management Services | Fire | Parks & Community Services | Police | Public Works

CITY COUNCIL DISTRICTS





DEMOGRAPHIC INFORMATION

POPULATION: 205,383
MEDIAN AGE: 29.3
MEDIAN HOUSEHOLD INCOME: \$54,229
MEDIAN HOUSING VALUE: \$188,100
NUMBER OF HOUSING UNITS: 58,040
AVERAGE HOUSEHOLD SIZE: 3.74

PRINCIPAL EMPLOYERS

EMPLOYEES

March Air Reserve Base	8,600
Amazon	7,500
Moreno Valley Unified School District	3,489
Riverside University Health System	2,987
Ross Dress for Less/DD's Discount	1,921
Moreno Valley Mall (Excludes Major Tenants)	1,390
Harbor Freight Tools	800
Kaiser Permanente Community Hospital	789
Val Verde Unified School District (MV only)	680
Walgreens Co.	600

Demographics information provided by the United States Census Bureau, California Department of Finance, Nielsen Snapshot 2015 Report

city at a glance

TOTAL GENERAL AND PROGRAM REVENUES: \$189,687,224

TOTAL PRIMARY GOVERNMENT EXPENSES: \$166,555,902

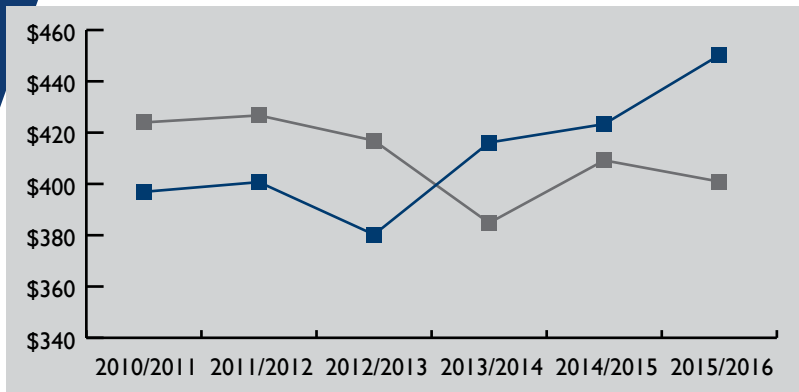
GENERAL FUND REVENUES PER CAPITA: \$450

GENERAL FUND EXPENDITURES PER CAPITA: \$400

DEBT PER CAPITA: \$288

REVENUE VS EXPENDITURES PER CAPITA

(GENERAL FUND)



■ REVENUE PER CAPITA
 ■ EXPENDITURES PER CAPITA

FINANCIAL REPORT HIGHLIGHTS

The **City Council** approved the largest single industrial development project in California's history – the World Logistics Center. The project is a world-class business park specifically designed to support the requirements of large global companies and their logistics operations. Featuring advanced technologies and innovative architecture, the World Logistics Center is destined to become the premier business center in Southern California. The project is anticipated to generate 13,000 construction jobs, 20,000 permanent jobs, and contribute approximately \$2.5 billion to the local economy. Approval culminated several years of complex work by staff in numerous City departments and divisions; special kudos go to the Planning Team.

Building & Safety issued the final Certificate of Occupancy for Procter & Gamble's new 1.48 million square foot distribution center. Aldi, an international grocery chain operating more than 1,500 stores in 32 states, opened its 825,000 sq. ft. Western Regional headquarters and distribution center in Moreno Valley. Under Hire MoVal, **Economic Development** also supported job recruitment, which attracted more than 27,000 applicants and significant media attention.

Capital Projects completed the Cactus Avenue Eastbound Widening, adding a third lane from Veterans Way to Heacock Street. The project also upgraded all traffic signals with cameras and LED lights, and built new drainage. Construction was completed on time, and under the approved \$2.4 million budget.

The local economy's growing strength is seen in **Building & Safety's** annual statistics: 2,385 permits, 3,583 plan reviews and 13,468 inspections with a total construction valuation topping \$186 million.

GLOSSARY OF TERMS

Current Assets: Liquid assets of the City such as cash or receivables; assets that can be liquidated within a short period of time, usually one year.

Non-current Assets: Assets that cannot be converted to cash or liquidated in a short period of time such as fixed/Capital Assets, Inventory, Restricted Assets, Deferred Charges, and the likes.

Capital Assets: Non-current assets that are used in the operation of the City and have an initial useful life in excess of one year.

Deferred Inflow of Resources: An acquisition of net position by the government that is applicable to a future reporting period.

Deferred Outflow of Resource: A consumption of net position by the government that is applicable to a future reporting period.

Current Liabilities: City's debt and obligations that are due within a year such as accounts payable, payroll taxes, matured principal payments, and the likes.

Long-term Debt/Non-current liabilities: debt and obligations of the City that are long-term, usually more than one year such as bonds payable, claims payable, landfill post closure, and the likes.

Net Position: The residual of City's assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position amends the term Net Assets used in GASB 34 Basic Financial Statements by incorporating deferred outflows/inflows of resources into the equation.

Net Investment in Capital Assets: component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position.

Restricted Net Position: Component of net position reported in government-wide and proprietary fund financial statements. Net position should be restricted when: 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation.

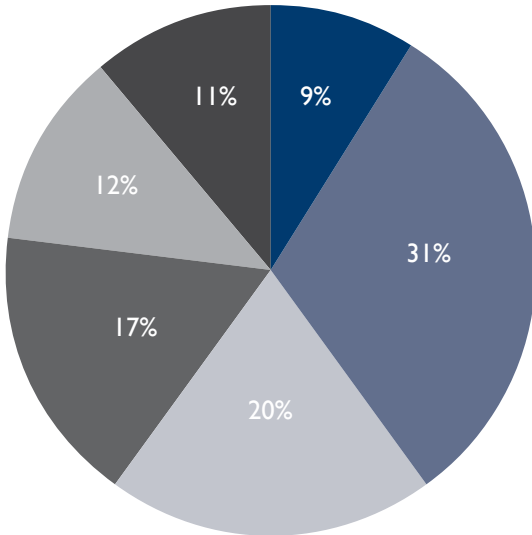
The General Fund is used to account for all financial resources of the city traditionally associated with government operations which are not required legally or by sound financial management to be accounted for in another fund.

At fiscal year ended June 30, 2016 General Fund revenues exceeded expenditures by \$7,746,132.

GENERAL FUND

REVENUES BY SOURCE

TOTAL GENERAL FUND REVENUES: \$93,125,680



- PROPERTY TAX: \$29,088,464**
Tax levied on assessed value of property.
- SALES TAX: \$18,937,738**
Tax levied on the sale of goods and services.
- UTILITY TAX: \$15,824,481**
Taxes levied on the consumption of certain utility services.
- CHARGES FOR SERVICES: \$10,628,482**
Charges and Fees collected for City services.
- OTHER TAXES AND FEES: \$10,192,821**
Transient Occupancy Tax, Franchise fees, Business License Gross Receipts.
- OTHER REVENUES: \$8,453,694**
Monies collected from licenses, permits, fines, forfeitures, etc.

WHERE DOES YOUR DOLLAR GO?

TOTAL GENERAL FUND: \$85,379,548



- PUBLIC SAFETY - 64¢**
Expenditures for Police and Fire Services
- GENERAL GOVERNMENT - 18¢**
Spending related to the day-to-day operations of the City.
- COMMUNITY DEVELOPMENT - 7¢**
Monies spent on enhancing the economic, political, and social well-being of the citizens of Moreno Valley.
- PUBLIC WORKS - 6¢**
Infrastructure spending on roads, schools, libraries, etc.
- OTHER - 5¢**
Miscellaneous expenditures for vehicles/equipment and transfers to other governmental funds within the City.

CHANGE IN NET POSITION

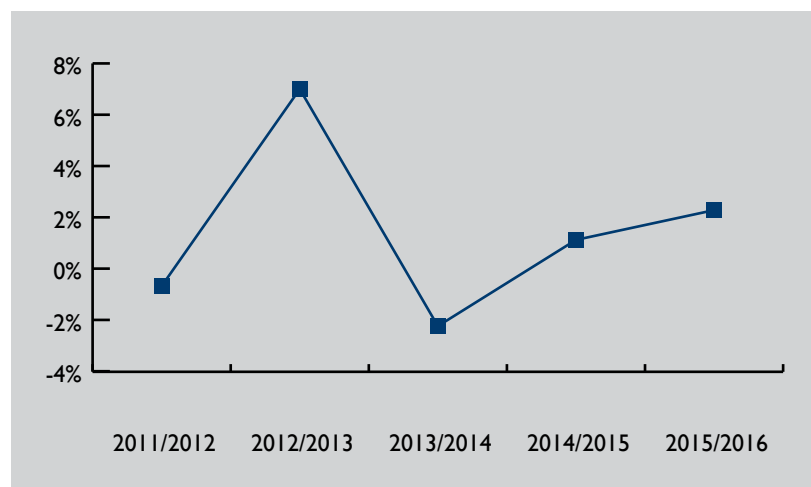
CITY OF MORENO VALLEY'S NET POSITION

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTALS	
	2015	2016	2015	2016	2015	2016
CURRENT AND OTHER ASSETS	\$242,486,484	\$256,999,701	\$12,783,987	\$28,547,492	\$255,270,471	\$285,547,193
CAPITAL ASSETS	907,163,980	905,589,728	38,374,437	40,892,980	945,538,417	946,482,708
TOTAL ASSETS	1,149,650,464	1,162,589,429	51,158,424	69,440,472	1,200,808,888	1,232,029,901
DEFERRED OUTFLOWS OF RESOURCES	4,795,102	\$9,542,694	123,311	352,282	4,918,413	9,894,976
CURRENT LIABILITIES	21,416,345	22,109,991	3,614,077	4,680,075	25,030,422	26,790,066
LONG-TERM LIABILITIES	128,961,194	129,439,730	28,468,624	38,421,844	157,429,818	167,861,574
TOTAL LIABILITIES	150,377,539	151,549,721	32,082,701	43,101,919	182,460,240	194,651,640
DEFERRED INFLOWS OF RESOURCES	7,580,582	8,424,289	194,942	226,089	7,775,524	8,650,378
NET INVESTED IN CAPITAL ASSETS	848,135,743	843,153,359	10,903,412	13,977,670	859,039,155	857,131,029
RESTRICTED	115,009,150	141,627,915	3,803,242	4,605,893	118,812,392	146,233,808
UNRESTRICTED	33,342,552	27,376,839	4,297,438	7,881,183	37,639,990	35,258,022
TOTAL NET POSITION	\$996,487,445	\$1,012,158,113	\$19,004,092	\$26,464,746	\$1,015,491,537	\$1,038,622,859

CHANGE IN NET POSITION

(TOTAL PRIMARY GOVERNMENT)

Net position may serve overtime as a useful indicator of a government's financial position. In the case of the City of Moreno Valley, net position as a whole increased by 2.36% from \$1.015 billion at June 30, 2015 to \$1.039 billion at June 30, 2016. Accounting for 82.53% of the city's net position, is its **net investment in capital assets** (e.g. land, buildings, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these **liabilities**.



■ PERCENTAGE CHANGE IN NET POSITION

COMMUNITY SERVICES DISTRICT

COMMUNITY SERVICES DISTRICT REVENUES AND EXPENDITURES

CSD REVENUES	FY 2014	FY 2015	FY 2016
TAXES	\$9,963,200	\$10,367,655	\$10,717,788
CHARGES FOR SERVICES	5,958,400	5,953,549	6,015,891
OTHER	3,177,557	2,858,029	3,004,636
TOTAL	19,099,157	19,179,233	19,738,315

CSD EXPENDITURES	FY 2014	FY 2015	FY 2016
COMMUNITY AND CULTURAL	11,888,439	11,415,310	11,644,268
PUBLIC WORKS	5,760,298	5,303,858	6,542,816
CAPITAL OUTLAY	468,770	170,481	38,963
TOTAL	18,117,507	16,889,649	18,226,047

TOTAL FUND BALANCE	FY 2014	FY 2015	FY 2016
	\$13,201,156	\$15,490,740	\$17,003,008

CSD: A group of funds that are used to account for the revenues expended on various **Community Services**. **Community Services District** is a component unit of the City of Moreno Valley.

MAJOR FUNDS

Zone A-Parks and Community Services: provides citywide park maintenance and recreation programming.

Landscape Maintenance District (LMD) 2014-02: provides funding for the maintenance of public landscaping throughout the City.

Zone E-Extensive Landscaping: provides landscaping in major developments within the City.

Zone L-Library Services: provides library services to City residents.

NON-MAJOR FUNDS

Zone C-Arterial Street Lighting: provides citywide street lighting on major arterial streets.

Zone D-Standard Landscaping: provides landscaping for residential developments throughout the City.

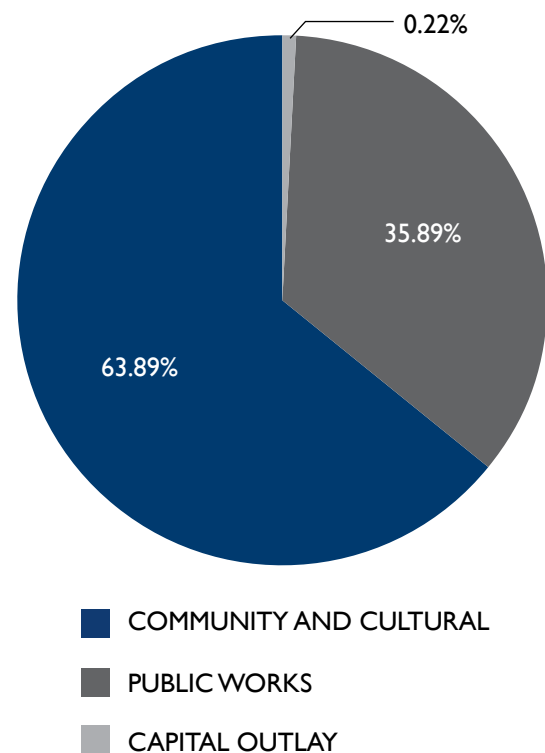
Lighting Maintenance District (LMD) 2014-01: Residential Street Lighting provides the funding for the operation and maintenance of residential subdivision street lighting.

Zone M-Medians: provides maintenance of medians within the City.

Community Facilities District (CFD) #1: provides maintenance of new parks, trails and class I bikeways.

Zone S - Sunnymead Boulevard Maintenance: provides maintenance of extensive landscape services for certain improvements constructed along Sunnymead Boulevard.

CSD EXPENDITURES BREAKDOWN.



MORENO VALLEY ELECTRIC UTILITY

CITY OF MORENO VALLEY NET POSITION

MVU REVENUE	FY 2014	FY 2015	FY 2016
SALES AND SERVICE CHARGES	\$19,905,135	\$27,519,754	\$29,237,200
MISCELLANEOUS*	875,373	1,438,573	567,339
TOTAL	20,780,508	28,958,327	29,804,539

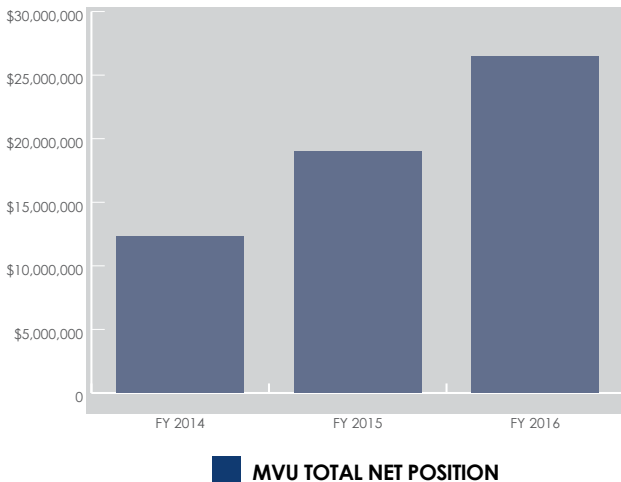
MVU EXPENDITURES	FY 2014	FY 2015	FY 2016
ELECTRICITY PURCHASED	10,200,721	10,877,963	11,860,074
OPERATING EXPENSES	7,953,865	9,760,855	10,642,815
INTEREST EXPENSE	1,641,560	1,638,560	1,727,269
TOTAL EXPENDITURES	19,796,146	22,277,378	24,230,158

RESTATEMENT OF NET POSITION	(1,410,273)	-	-
TOTAL NET POSITION	\$12,323,143	\$19,004,092	\$26,464,746

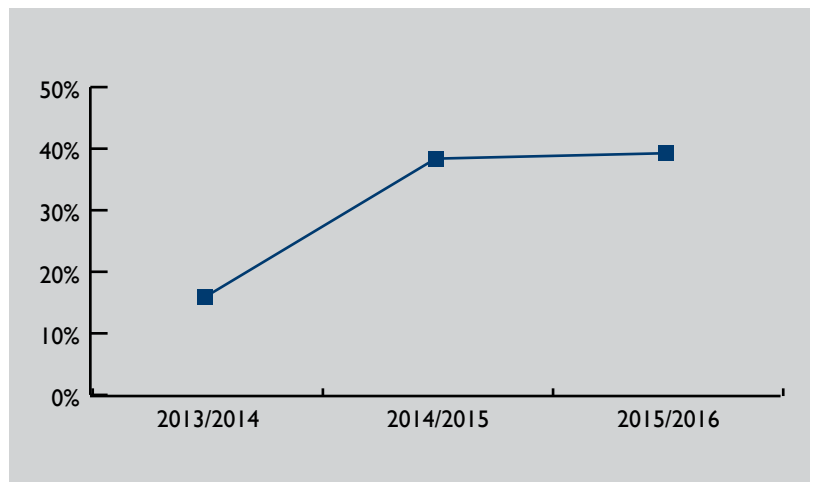
*Includes "other" revenues such as Interest Revenue, Contributed Capital, and Engineering Plan Check Fees.

Moreno Valley Electric Utility (MVU): This fund is an Enterprise Fund which is used to account for the operations of the City electric utility, with its basic purpose to purchase and distribute electricity to customers in the City's newly developed areas under the "Greenfield" concept. The City began serving its first customers in February 2004.

TOTAL NET POSITION



PERCENTAGE CHANGE IN NET POSITION



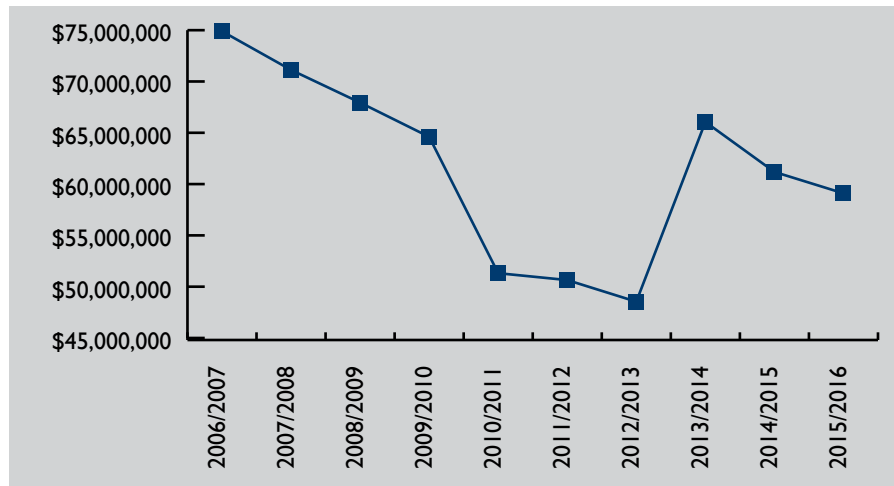
Positive percentage changes indicate that the financial position of the Moreno Valley Electric Utility has improved. The chart above indicates a positive percentage change of 39.26% in Net Position for FY 2016 for MVU.

LONG TERM DEBT

Governments, just as businesses and individuals, must finance certain purchases with debt. The key is to match the life of the assets being purchased with the term of the debt payments. Accordingly the City's debt is predominantly related to long-lived capital assets.

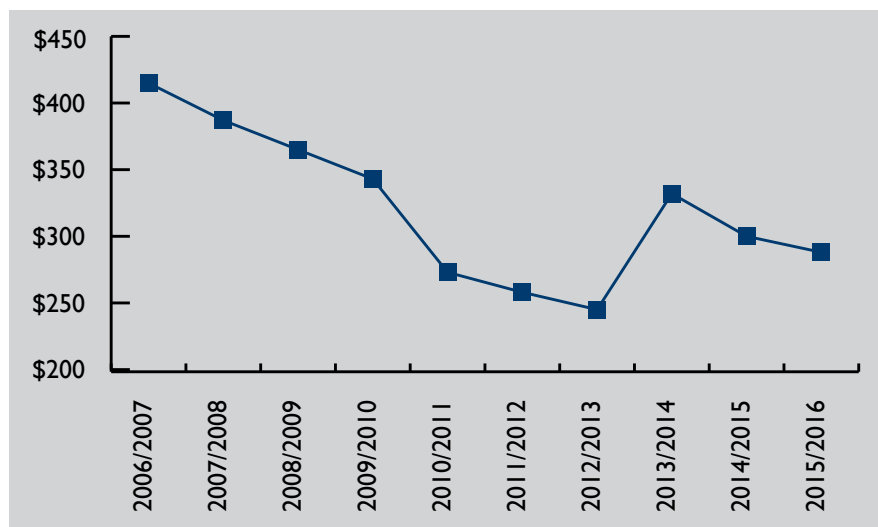
The City's Outstanding Debt is comprised of Special Tax Bonds, Certificates of Participation, Lease Revenue Bonds and Private Placement Debt. Funds used to retire City debt are currently derived from the General Fund and Electric Utility revenues. Total outstanding debt for fiscal year 2016 was \$59,100,069 representing a decrease of \$2,086,676 over the prior year.

TOTAL GOVERNMENT BONDED DEBT



■ GENERAL BONDED DEBT

DEBT PER CAPITA



■ DEBT PER CAPITA

City of Moreno Valley
Financial & Management Services

14177 Frederick Street
Moreno Valley, CA 92552-0805
Tel. 951.413.3021

Attachment: Popular Annual Financial Report FY 2015-16 (2389 : TRANSMITTAL AND REVIEW OF THE COMPREHENSIVE AND POPULAR



www.moval.org



Report to City Council

TO: Mayor and City Council

FROM: Michelle Dawson, City Manager

AGENDA DATE: January 3, 2017

TITLE: STATUS UPDATE ON STRATEGIC PLAN

RECOMMENDED ACTION

Recommendation:

1. That the City Council receive and file the City Manager's status update on Momentum MoVal Strategic Plan objectives and initiatives.

SUMMARY

This report includes a status update on Momentum MoVal, the Strategic Plan adopted by the City Council in August, 2016.

DISCUSSION

Momentum MoVal identifies the City's top priorities for the next five years and serves as the primary work plan for efforts of all City employees to fulfill the direction provided by the City Council. Staff's collective efforts are focused on the following priorities:

- Economic Development
- Public Safety
- Library
- Infrastructure
- Beautification, Community Engagement, and Quality of Life
- Youth Programs

The Strategic Plan features detailed objectives and specific initiatives to achieve the Council's priorities.

Because strategic vision and accountability go hand in hand, progress in accomplishing the 160+ initiatives/action items will be reported regularly and publicly. This report focuses on the status of the initiatives that are identified to be achieved within the first 6

months since Momentum MoVal was adopted. The attached matrix indicates progress made to date on those 6-month initiatives.

The following are highlights of the activity on some of those shorter term action items:

Strategic Plan Priority: Economic Development

Objective 1: Proactively attract high-quality businesses.

Initiative 4: Advance the Development Services Team as a “Center of Excellence” in serving all customers by use of technology services and tools and streamlining development processes via Accela’s ACP project tracking software. Guarantee specific time frames for plan reviews, expedite permitting issuance processes, improve inspection functionality, and facilitate online applications and services.

Two years of staff effort culminated in the successful December 6th launch of the City’s new development services processing system called Accela Civic Platform (ACP). Named “SimpliCITY” by the project team, this is an automated system for planning applications, permits, inspections, code compliance, cashiering, and all aspects of the development and municipal code process. The goal of SimpliCITY is to make doing business in the City easier for our customers.



Objective 4: Promote the development of the Medical Corridor along Nason Street to meet health care demands for residents of Moreno Valley and the region, bring quality jobs, and create business opportunities for ancillary support businesses in the health care industry.

Initiative 2: Create focused medical/office and elderly care facility marketing collateral to highlight Moreno Valley’s unique assets and development opportunities.

Objective 2: Market all the opportunities for quality industrial development in Moreno Valley by promoting all high-profile industrial and business projects that set the City apart from others.

Initiative 1: Showcase excellent industrial projects on all appropriate marketing collateral, online, and via email outreach. Work with each unique developer to educate the brokerage community on the status and availability of future projects.

The City’s Economic Development team developed the attached marketing items promoting the unique medical, industrial and commercial opportunities in Moreno Valley. These materials are also embedded into the appropriate sections of the new

Economic Development website www.morenovalleybusiness.com. Please note that the graphics for these flyers were designed in-house by the City's media team.

Strategic Plan Priority: Public Safety

Objective 1: Reduce crime, the fear of crime, and the perception of crime in the community.

Initiative 3: Enhance the use of social media sites to better provide a forum for reporting quality of life issues to include tips, complaints, and crime updates.

The Moreno Valley Police Department established a Social Media Team consisting of nine department members from various ranks and assignments, all of whom are well versed in the proper use of social media. They have revitalized the Police Department's Facebook page and are posting on a regular basis. The page includes human interest stories, items containing information and photos of wanted suspects, and educational information to help the public avoid becoming victims of crime. Most recently, a gallery of missing adults and juveniles was added along with hotline phone numbers for the public to call if they know where a missing person may be located or have other information to offer that may help us find a missing person. The Facebook page also enables the public to post questions which are responded to by the Department. Upcoming events such as zone meetings, coffee with a cop, and the Holiday Cheer program have also been promoted on the Facebook page. Many MVPD Facebook posts exceed 15,000 views, with some exceeding 25,000 views.

In the future a Twitter account will be linked with the Facebook page to "tweet" information to the segment of our community that uses Twitter regularly. This might include real-time tweets while incidents are in progress.

Strategic Plan Priority: Library

Objective 3: Partner with outside organizations to expand the range of workshops and programs provided to the community.

Initiative 1: Develop a robust training program to include basic computer classes and basic MS Office software training.

Initiative 2: Promote job readiness by providing workshops on resumé writing, job interviewing, career readiness and life skills four times per year.

Job readiness workshops including resumé writing, job interviewing, career readiness and life skills are scheduled monthly in 2017. In addition, computer classes are hosted by Library staff monthly and include Microsoft Office Suite training and online job searching. The Library also has an online training subscription available any time the Library is open that includes computer and MS Office units.

Strategic Plan Priority: Youth Programs

Objective 1: Provide employment training and support for Moreno Valley youth between the ages of 16-21 years.

Initiative 1: Implement the Summer at City Hall program with the Val Verde Unified School District (VVUSD) and analyze the effectiveness of the program

with the intent to grow this initiative in future years.

In preparation for another successful summer leadership program, City staff met with VVUSD in November to discuss direction and timing for the 2017 program. VVUSD identified the lead personnel for this year and committed to identifying the Summer at City Hall instructor in January. Next steps include agreement on a planning calendar and memorialized updates to the program to be completed in January. Updates to the program will include items such as increased diversity to include males and students with lower academic achievement.

ALTERNATIVES

Alternative 1: Receive and file the City Manager's status update on Momentum MoVal Strategic Plan objectives and initiatives. *Staff recommends this alternative as accountability and the reporting of progress is an integral part of advancing the priorities in Momentum MoVal.*

Alternative 2: Do not receive and file the City Manager's status update on Momentum MoVal Strategic Plan objectives and initiatives. *Staff does not recommend this alternative.*

FISCAL IMPACT

None.

NOTIFICATION

None.

PREPARATION OF STAFF REPORT

Prepared By:
Michelle Dawson
City Manager

CITY COUNCIL GOALS

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

Positive Environment. Create a positive environment for the development of Moreno Valley's future.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

CITY COUNCIL STRATEGIC PRIORITIES

- 1. Economic Development
- 2. Public Safety
- 3. Library
- 4. Infrastructure
- 5. Beautification, Community Engagement, and Quality of Life
- 6. Youth Programs

See the Discussion section above for details of how this action supports the City Council's Strategic Priorities.

ATTACHMENTS

- 1. MomentumMoVal Progress Report Jan 2017
- 2. ED_Commercial Pitch
- 3. ED_Medical Pitch
- 4. ED_Industrial Pitch

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	12/19/16 5:33 PM
City Attorney Approval	<u>✓ Approved</u>	12/19/16 4:03 PM
City Manager Approval	<u>✓ Approved</u>	12/21/16 8:04 AM

PROGRESS AND TRACKING - 6 Month Initiatives

Priority Category	Initiative #	Initiative Detail	Target Date	Key Department Head	Active	Complete	Notes
Economic Development	1.1.11	Complete the re-brand of the Economic Development Department attraction efforts and launch a dedicated Economic Development website.	Feb 16, 2017	Mike Lee		⊗	Branding completed. Accelerating Opportunities website launched. www.morenovalleybusiness.com
Economic Development	1.1.2	In the next City budget cycle, allocate additional dollars to expand marketing efforts by increasing advertising placements and sponsorships.	Feb 16, 2017	Mike Lee	⊗		Submitted request to Finance Department for review.
Economic Development	1.1.4	Advance the Development Services Team as a "Center of Excellence" in serving all customers by use of technology services and tools and streamlining development processes via Accela's ACP project tracking software. Guarantee specific time frames for plan reviews, expedite permitting issuance processes, improve inspection functionality {Facilitate online applications and services - 9 months}	Feb 16, 2017	Allen Brock	⊗		In progress and on track with first phase completed on December 6, 2016 with SimpliCITY (ACP) Go-Live.
Economic Development	1.4.1	Strengthen partnerships with existing medical providers such as Riverside University Health System and Kaiser Permanente to support and encourage expansion efforts.	Feb 16, 2017	Mike Lee	⊗		Business Visitation team met with Kaiser Permanente Chief Operations Officer and key staff to discuss expansion plans and partnerships (Dec. 9, 2016).
Economic Development	1.4.2	Create focused medical/office and elderly care facility marketing collateral to highlight Moreno Valley's unique assets and development opportunities.	Feb 16, 2017	Mike Lee		⊗	The new marketing collateral are also embedded into the respective section of the webpage and is listed under the flyer section. We are now linking the new website in our marketing outreach and email blasts. http://www.morenovalleybusiness.com/officemedical-properties/
Economic Development	1.4.3	Identify strategic partners to encourage the development of job readiness in high demand health care industries.	16-Feb-17	Mike Lee	⊗		Met with Moreno Valley Kaiser Permanente Executive Team to discuss partnership and workforce development (Dec 9, 2016). Letter reiterating partnership sent (Dec 13, 2016).
Economic Development	1.8.1	Evaluate hiring one (1) full time staff member, or equivalent outsourced support, to business attraction such as proactive print and digital marketing, branding, website management, content and email marketing, trade show and industry events planning and attendance, lease mining, site selection assistance, demographics and market analysis, brochure development, database collection, real estate industry liaison, and new business relationship building efforts.	Feb 16, 2017	Mike Lee	⊗		Staffing request sent to Finance for consideration within next budget development cycle.
Economic Development	1.8.2	Evaluate hiring two (2) full time staff members, or equivalent outsourced support, for workforce development, including oversight of the Hire MoVal program, operations at the Moreno Valley Employment Resource Center, job readiness workshops, partnership and relationship building, and new job training initiatives. First hire (6 months) Second hire (18 months)	Feb 16, 2017	Mike Lee	⊗		Staffing request sent to Finance Director for consideration within next budget development cycle.

PROGRESS AND TRACKING - 6 Month Initiatives

Priority Category	Initiative #	Initiative Detail	Target Date	Key Department Head	Active	Complete	Notes
Public Safety	2.1.1	Form a working group, with existing staff, to research, evaluate and test progressive law enforcement programs for use in the City.	Feb 16, 2017	Joel Ontiveros		⊗	This working group has been formed and consists of MVPD executive staff and a Crime Analyst. A model used to assess problems identified throughout the city assists to design, develop, implement, and evaluate proposed solutions to crime problems. One example: RSSAT (Random Short-duration Saturation) patrol program has yielded enormous benefits for the city through increased interaction between the police and the community, targeted enforcement in areas where crime is most prevalent, and an overall increased feeling of safety for both officers and residents. The working group will continue to consider innovative methods to address and reduce crime and the fear of crime in the city.

PROGRESS AND TRACKING - 6 Month Initiatives

Priority Category	Initiative #	Initiative Detail	Target Date	Key Department Head	Active	Complete	Notes
Public Safety	2.1.3	Enhance the use of social media sites to better provide a forum for reporting quality of life issues to include tips, complaints, and crime updates.	Aug 16, 2017	Joel Ontiveros	⊗		<p>A Social Media Team was established with existing resources at the PD. The team consists of nine department members from various ranks and assignments, all of whom are well versed in the proper use of social media.</p> <p>The MVPD's Facebook page has been revitalized and is significantly more active. Many posts received more than 15,000 views.</p> <p>Future social media actions include the addition of a Twitter account that will be linked with the Facebook page to enable MVPD to "tweet" information to the segment of the community that uses Twitter regularly. This might include real-time tweets while an incident is in progress.</p>
Public Safety	2.3.2	Work with new and existing affordable housing providers to help them solve problems and promote a Crime-Free Multi-housing Program.	Feb 16, 2017	Joel Ontiveros	⊗		<p>Police - PD to set meeting with affordable housing projects to discuss crime prevention programs. The Housing Authority completed visits to affordable housing sites for annual monitoring required per the funding agreements. These visits may include Code services and also include efforts to have the management companies properly maintain the properties.</p>
Public Safety	2.3.4	Raise public trust by increasing law enforcement's presence at community events.	Feb 16, 2017	Joel Ontiveros	⊗		<p>In 2016, the Police Department met or exceeded the goals for hosted public meetings. MVPD is on track to hold four Zone meetings and at least six "Coffee with a Cop" events in 2017.</p>

PROGRESS AND TRACKING - 6 Month Initiatives

Priority Category	Initiative #	Initiative Detail	Target Date	Key Department Head	Active	Complete	Notes
Public Safety	2.7.1	Team with Technology Services and all other development services department to adopt the Accela Civic Platform (ACP).	Dec 31, 2016	Allen Brock	⊗		SimpliCITY (ACP) launched successfully on December 6, 2016. Over 3,300 records (permits and applications) converted prior to go-live along with necessary reporting and fee structure in place. System is fully functional with some tasks, reports and manuals remaining to be completed.
Public Safety	2.8.2	Conduct a full-scale Emergency Operations Center Exercise.	Dec 31, 2016	Abdul Ahmad	⊗		Due to the vacancy of the Office of Emergency Management Program Manager position combined with Riverside County Emergency Management Department (EMD) scheduling conflicts, the full scale exercise will be delayed until the vacancy is filled. Riverside County EMD is committed to working with the Program Manager candidate once filled to expedite the functional exercise.
Public Safety	2.8.3	Conduct no less than 1 full-scale Emergency Operations Center Exercise in each calendar year.	Dec 31, 2016	Abdul Ahmad	⊗		When the vacancy in the Office of Emergency Management Program Manager is filled, we will be successful in completing this schedule.
Public Safety	2.11.2	Respond to citizen calls for service the day they are received or within 24 hours for low priority calls received near or after the end of a work shift.	Feb 16, 2017	Terrie Stevens	⊗		Animal Services staff implemented a revised call prioritization procedure that gives the field staff more control over routing and is resulting in reduced response times overall.
Public Safety	2.11.3	Conduct weekly proactive patrols in close proximity to schools, parks and areas identified as having the greatest number of stray animals reported in an effort to reduce dog bites by 5%.	Feb 16, 2017	Terrie Stevens	⊗		Officers have been conducting proactive patrols in areas of the City with a high number of reported stray dogs roaming as well as patrolling parks and areas in close proximity to schools.

PROGRESS AND TRACKING - 6 Month Initiatives

Priority Category	Initiative #	Initiative Detail	Target Date	Key Department Head	Active	Complete	Notes
Public Safety	2.12.1	Present results of Feasibility Study to the Public Safety Sub-Committee.	Feb 16, 2017	Tom DeSantis	⊗		Consultant report not yet finalized (as of 12/13/16). Report anticipated by late January; it will be agendized for the Public Safety Sub-Committee as soon as the final report is available.
Public Safety	2.13.1	Establish a planning committee to identify and assess potential hazards in the community.	Feb 16, 2017	Abdul Ahmad	⊗		The Local Hazard Mitigation Plan (LHMP) was updated with departments and divisions functioning as the committee. The Plan was submitted to state and federal officials for review and approval prior to submitting to Council for final adoption. We expect the review to be concurrent between CalOES and FEMA and anticipate presenting the Plan to Council by February 2017.
Public Safety	2.13.2	Establish mitigation strategies for the recognized hazards including goals, objectives and associated costs.	Feb 16, 2017	Abdul Ahmad	⊗		The identification and establishment of mitigation strategies were identified and included as part of the City's LHMP update for 2016. We anticipate presenting the Plan to Council by February 2017.
Library	3.2.1	Develop a robust training program to include basic computer classes and basic MS Office software training.	Dec 16, 2016	Terrie Stevens		⊗	Job readiness workshops including resumé writing, job interviewing, career readiness and life skills are provided monthly in 2017. Computer classes are hosted by library staff monthly and include Microsoft Office Suite training and online job searching. The Library also has an online training subscription available any time the Library is open that includes computer and Microsoft Office units.

PROGRESS AND TRACKING - 6 Month Initiatives

Priority Category	Initiative #	Initiative Detail	Target Date	Key Department Head	Active	Complete	Notes
Library	3.3.2	Promote job readiness by providing workshops on resume writing, job interviewing, career readiness and life skills four times per year.	Feb 16, 2017	Terrie Stevens		⊗	Job readiness workshops including resumé writing, job interviewing, career readiness and life skills are provided monthly in 2017. In addition computer classes are hosted by Library staff monthly and include Microsoft Office Suite training and online job searching. The Library also has an online training subscription available any time the Library is open that includes computer and MS Office units.
Library	3.3.3	Conduct public information workshops on topics such as tax filing assistance, social security, signing up for Covered California.	Feb 16, 2017	Terrie Stevens		⊗	Workshops are scheduled throughout 2017 to assist residents on various topics including income tax filing assistance, Social Security benefits information, Veterans benefits information, first time homebuyers workshop, financial aid and scholarship opportunities, preventing fraud and identity theft among other topics.
Infrastructure	4.2.1	Present initial infrastructure needs assessment information to the City Council at a study session.	Feb 16, 2017	Ahmad Ansari	⊗		This item is scheduled to be reviewed and discussed at the January study session.
Infrastructure	4.4.1	Determine whether or not to move forward with acquisition of Southern California Edison-owned street lights. (Prior to October 27, 2016)	Oct 26, 2016	Ahmad Ansari		⊗	On October 18, 2016, the City Council approved the Purchase and Sale Agreement.
Beautification, Community Engagement, and Quality of Life	5.1.1	Fully implement the Volunteer Community Clean Up Program in which Code Compliance staff identifies distressed properties and partners with volunteers to provide labor to address compliance issues. Refocus outreach efforts from students to service clubs, commencing with Moreno Valley Noon Rotary.	Feb 16, 2017	Allen Brock		⊗	First project completed October 1, 2016 by Noon Rotary, Valley View High School's Interact Club and City staff. Program will continue seeking additional volunteer groups to assist residential property owners to Keep Moreno Valley Beautiful!
Beautification, Community Engagement, and Quality of Life	5.1.2	Establish an annual Day of Volunteerism.	Feb 16, 2017	Abdul Ahmad	⊗		Identified and met with initiative lead to discuss implementation of program. Need to identify the day of the year, and whether the day would coincide with a national holiday.

PROGRESS AND TRACKING - 6 Month Initiatives

Priority Category	Initiative #	Initiative Detail	Target Date	Key Department Head	Active	Complete	Notes
Beautification, Community Engagement, and Quality of Life	5.4.1	Compile updated, accurate resource information into one document/brochure and share with public safety, code enforcement, and nonprofit staff members.	Feb 16, 2017	Marshall Eyerman, Joel Ontiveros, Allen Brock	⊗		Code Compliance staff assisting with compiling accurate resource information for public use.
Beautification, Community Engagement, and Quality of Life	5.4.2	Provide/expand training to public safety and code enforcement staff on effective strategies for interaction with homeless individuals.	Feb 16, 2017	Steve Alvarado	⊗		In progress with Code Compliance collecting information.
Youth Programs	6.1.1	Implement the Summer at City Hall program with the Val Verde Unified School District and analyze the effectiveness of the program with the intent to grow this initiative in future years.	Feb 16, 2017	Marie Macias, Terrie Stevens		⊗	Staff met with VVUSD in November to discuss direction and timing for the 2017 program. VVUSD has identified a Program Lead and committed to identifying the instructor in January. Updates to the program will include items such as increased diversity to include males and students with lower academic achievement.
Youth Programs	6.1.2	Collaborate with the Youth Opportunity Center to strengthen interview and job skills for employment opportunities in utilizing the Expanded Subsidized Employment program.	Feb 16, 2017	Gabe Garcia	⊗		Staff has made contact with Moreno Valley Unified School District career exploration program, MVC-Cal Works, MoVal regional learning ctr. Staff will set up a meeting with Comm. Development as they will assist with business fair.
Youth Programs	6.1.3	Offer courses through contractors and in-house City staff such as computer training, technology skills, and resumé assistance for youth ages 16-21 years.	Feb 16, 2017	Gabe Garcia	⊗		We are currently offering 4 contract classes Computers for Beginners, Job Readiness Workshop, Leadership Academy and Youth Professional Development.
Youth Programs	6.2.3	Implement a collaborative partnership with University of California, Riverside's Food Program at City camps and Time for Tots programs.	Feb 16, 2017	Gabe Garcia	⊗		Camps utilize the Val Verde Unified School District food program. Staff will gather information about the UCR Food Program and seek contact information.
Youth Programs	6.2.4	Promote nutrition education to improve students' health and reduce childhood obesity through family information sharing and after-school recreation health/wellness programs.	Feb 16, 2017	Gabe Garcia	⊗		Staff met with the Dir. of Learning Programs at THINK Together on 12/12/16. She will forward details of Kaiser and Target healthy living curriculum, etc. used in the after school program.



SUPER TARGET COMMERCIAL

MORENO VALLEY CALIFORNIA

www.morenovalleybusiness.com

ACCELERATING OPPORTUNITIES

DYNAMIC RETAIL DESTINATIONS

Two regional shopping destinations and over 40 shopping plazas with major tenants including Costco, SuperTarget, Home Depot, Lowe's, Macy's, Burlington Coat Factory, TJ Maxx/HomeGoods, Ulta, BevMo, and many more!

PRO-BUSINESS PHILOSOPHY

Pro-business development environment and concier business service, able to fast track development a unparalleled plan check turn around.

STRATEGIC LOCATION

Centrally located in Southern California at the junction of SR-60 and I-215 - two major transportation corridors. More than 99 million trips per year along SR-60, with swift access to Los Angeles, Orange County, San Diego, Northern California, Arizona, and Nevada.

DEMOGRAPHIC STRENGTH

Average household income of \$67,990 with more th 16,000 at \$75,000 or more; possess a highly educat workforce with 51% of residents in white collar jobs.

2nd
largest city in
Riverside County

21st
largest city in
CALIFORNIA

51.3 square
MILES

5.76%
annual grow
RAT

207,675
Moreno Valley
Population 2016

20-mile
radius population
2,302,607

Median
AGE: 30.8

Inland Empire
ONE OF THE FASTEST GROWING REGIONS
IN THE US

Home to numerous
Fortune 500
AND INTERNATIONAL COMPANIES

4500
businesses
STRONG



TRANSPORTATION
**SERVED
BY**

CALIFORNIA STATE ROUTE 60 | INTERSTATE 215
METROLINK
MARCH INLAND PORT AIRPORT - CHARTER & CARGO FLIGHTS
INTERNATIONAL FLIGHTS FROM ONTARIO AIRPORT

Attachment: ED_C Commercial Pitch (2391 : STATUS UPDATE ON STRATEGIC PLAN)



MEDICAL/OFFICE

MORENO VALLEY
CALIFORNIA

www.morenovalleybusiness.com

ACCELERATING OPPORTUNITIES

STRONG DEMOGRAPHIC GROWTH

Centrally located in the booming Inland Empire region of Southern California, Moreno Valley has a highly skilled and motivated workforce. The population exceeds 207,000 and approaches 2.5 million within a 20 mile radius. Average population growth is over 5.76% annually, 4.97% within a 20 mile radius.

PRO-BUSINESS PHILOSOPHY

Pro-business environment and concierge business service. Able to fast track development and offer unparalleled plan check turn around. Boasts City owned electric utility that is top in industry for reliability.

HOT MORENO VALLEY MARKET

Home to many Fortune 500 and international companies. Two medical campuses: Riverside University Health System and Kaiser Permanente with a full-time workforce exceeding 4,000.

Student population 28,000+: UC Riverside and Moreno Valley College.

Senior care and medical development opportunities.

ATTRACTIVE INCENTIVES

Electrical rate discount for qualifying businesses. Workforce Recruitment and Training subsidy.

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INDUSTRIAL

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CALIFORNIA
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ACCELERATING OPPORTUNITIES

STRATEGIC LOCATION & CONVENIENT ACCESS

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HOT MORENO VALLEY MARKET

Highly skilled and motivated workforce in a City with population over 207,000 and nearly 2.5 million within 20 mile radius. Future development includes the World Logistics Center (WLC) – largest industrial logistics business park in California history (40.6 million SF).

PRO-BUSINESS PHILOSOPHY

Pro-business environment and concierge business service, able to fast track development and unparalleled plan check turn around. Boasts City owned electric utility and top in industry for reliability.

ATTRACTIVE INCENTIVES

Electrical rate discount for qualifying businesses
Foreign Trade Zone designation | Time & Materials program
Workforce Recruitment and Training subsidy

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